

JPRS 74736

10 December 1979

West Europe Report

No. 1513



FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

REPORT DOCUMENTATION PAGE	1. REPORT NO. JPRS 74736	2.	3. Recipient's Accession No.
4. Title and Subtitle WEST EUROPE REPORT, No. 1513		5. Report Date 10 December 1979	
7. Author(s)		8. Performing Organization Rept. No.	
9. Performing Organization Name and Address Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201		10. Project/Task/Work Unit No.	
		11. Contract(C) or Grant(G) No. (C) (G)	
12. Sponsoring Organization Name and Address As above		13. Type of Report & Period Covered	
		14.	
15. Supplementary Notes			
16. Abstract (Limit: 200 words) This serial report contains political/economic information on West European energy, finance and trade policy matters as well as developments and trends in the doctrine, programs and problems of the major communist parties, including their relations with communist parties outside the West European area. The report also contains information on Theater Nuclear Forces and elections to the European Parliament.			
17. Document Analysis a. Descriptors			
Political Science	<u> </u> x International Affairs	<u> </u> x Iceland	
Sociology	<u> </u> Austria	<u> </u> x Italy	
Propaganda	<u> </u> x Belgium	<u> </u> Luxembourg	
Economics	<u> </u> Canada	<u> </u> x Netherlands	
Energy	<u> </u> Cyprus	<u> </u> x Norway	
Industry	<u> </u> x Denmark	<u> </u> x Portugal	
Trade	<u> </u> x Federal Republic of	<u> </u> x Spain	
Finance	<u> </u> Germany	<u> </u> Sweden	
Theater Nuclear Forces	<u> </u> x Finland	<u> </u> x Switzerland	
	<u> </u> x France	<u> </u> x Turkey	
	<u> </u> Greece	<u> </u> United Kingdom	
	<u> </u> x Ireland		
b. Identifiers/Open-Ended Terms			
c. COSATI Field/Group 5C, 5D, 10			
18. Availability Statement Unlimited Availability Sold by NTIS Springfield, Virginia 22161		19. Security Class (This Report) UNCLASSIFIED	21. No. of Pages 206
		20. Security Class (This Page) UNCLASSIFIED	22. Price

10 December 1979

WEST EUROPE REPORT

No. 1513

CONTENTS

PAGE

THEATER NUCLEAR FORCES

ITALY

- PCI's Bufalini Interviewed on Euromissiles
(Paolo Bufalini Interview; RINASCITA, 9 Nov 79)..... 1

COUNTRY SECTION

INTERNATIONAL AFFAIRS

- Brezhnev's Demise To Pose Changes for West Europe
(Ruediger Altmann; DEUTSCHE ZEITUNG, 9 Nov 79)..... 5
- Small Powers May Gain Role in Force Reduction Talks
(Jean Roussel; LE SOIR, 15 Nov 79)..... 9
- Nordic Bankers Project 1980 Growth Rates
(HELSINGIN SANOMAT, 4 Oct 79)..... 11

BELGIUM

- State Reform Problems Trouble Government
(LE SOIR, various dates)..... 14
- Tindemans Pleads for Dialog, by Leo Tindemans
VDB: Brussels Greatest Problem
Mistrust Governs Discussions
Tindemans Approach to Walloons
- Van Der Elst Comments on Flanders, State Reform
(Frans Van Der Elst; LE SOIR, 7 Nov 79)..... 21
- Economic Aid to Flanders Detailed
(LE SOIR, 7 Nov 79)..... 23

CONTENTS (Continued)

Page

VMO Existence, Activities Criticized (POURQUOI PAS?, 4 Oct 79).....	25
VMO Actively Involved in Fouron Incidents (LE SOIR, 24, 25 Oct 79).....	28
VMO Leader Sentenced Erickson Portrayed	

DENMARK

Preben Møller Hansen Expelled; DKP on Verge of Schism (Mogens Auning; BERLINGSKE TIDENDE, 30 Oct 79)....	33
Møller Hansen Claims LO Chief Pressured DKP To Act (INFORMATION, 30 Oct 79).....	36
Old Differences Take on New Force During Election Campaign (Andreas Dalgaard; BERLINGSKE AFTEN, 2 Nov 79)....	38
Møller Hansen Began Work on New Political Base Three Months Ago (INFORMATION, 30 Oct 79).....	40
DKP Facing Charge of 'Reformism' (Editorial; INFORMATION, 30 Oct 79).....	43
German-Speaking Minority Wants Permanent Place in Parliament (BERLINGSKE TIDENDE, 1 Nov 79).....	46
Exclusion From Parliament Will Cost Danish CP Financial Support (BERLINGSKE TIDENDE, 2 Nov 79).....	47
Jorgensen To Preside Over Varied Economic Team (Lisbeth Knudsen; BERLINGSKE TIDENDE, 6 Nov 79)...	48
Government Report Highly Pessimistic on Economic Outlook (Lisbeth Knudsen; BERLINGSKE TIDENDE, 4 Oct 79)...	51
Downward Adjustment of Living Standards Seen as Inevitable (Frank Dahlgaard; BERLINGSKE TIDENDE, 6 Oct 79)...	53

CONTENTS (Continued)

Page

LO Stipulates Conditions for Economic Cooperation
(INFORMATION, 9 Oct 79)..... 57

LO Seeking Larger Role in Policy Making
(Editorial; BERLINGSKE TIDENDE, 10 Oct 79)..... 59

Danish Shipbuilding Industry Outlook Appears Brighter
(BERLINGSKE TIDENDE, 24 Oct 79)..... 61

FEDERAL REPUBLIC OF GERMANY

Schmidt Warns Party of Dangers of Internal Rift
(FRANKFURTER ALLGEMEINE, 19 Nov 79)..... 63

Wehner Warns SPD To Avoid Return to Internal Ideology
Fight
(FRANKFURTER ALLGEMEINE, 7 Nov 79)..... 65

FDP General-Secretary Discusses Campaign Goals, Tactics
(Guenter Verheugen Interview; DEUTSCHE ZEITUNG,
9 Nov 79)..... 67

FDP Secretary General Comments on Greens, FDP Campaign
(FRANKFURTER ALLGEMEINE, 7 Nov 79)..... 71

Marxists Work To Capture Green Movement
(BAYERNKURIER, 10 Nov 79)..... 73

Briefs
Concerns Over Neo-Nazis 76
Catholic Papers Merge 76

FINLAND

CPSU Condemns Finnish CP First Secretary's Talk of
'Historic Compromise'
(HELSINGIN SANOMAT, 23 Nov 79)..... 77

Foreign Press Reaction to Koivisto Stand: 'Like
Gromyko'
(Matti Klemola; HELSINGIN SANOMAT, 6 Oct 79)..... 79

CONTENTS (Continued)

Page

FRANCE

Public Opinion Poll Tests Political Climate, Personalities (Charles Rebois; LE FIGARO, 6 Oct 79).....	82
PCF Continues Condemnation of Czech Charter 77 Decision (Various sources, various dates).....	95
PCF Politburo Statement PCF Expresses 'Indignation' 'Intolerable Disrespect for Rights' by Gilbert Wasserman	
PCF Prepares for February 1980 Launch of New Publication (Various sources, various dates).....	99
Commentary on Editorial Staff Orientation of New Publication Suggestions Received on Content	
Nonparticipation Ploy Underscores PCF, PS Rift in Lille (Georges Sueur; LE MONDE, 31 Oct 79).....	106
Schism Mars Revolutionary Communist League Congress (LE MONDE, 1 Nov 79).....	108
New Radical Party Leadership Emerges at End of Congress (LE MONDE, 1 Nov 79).....	110
French Arms Sales Discussed, Described (WELTWOCH, 31 Oct 79).....	111
Armed Forces Promotions, Appointments Noted (LE MONDE, 19 Oct 79).....	120
Army Gets New Assault Rifle (LE MONDE, 6 Nov 79).....	122
NCO Training in Antitank Missiles Outlined (TERRE INFORMATION, Sep 79).....	123
Briefs	
Oil Increase Sought	125
Parachute Regiment Dissolved	125

CONTENTS (Continued)

Page

ICELAND

Head of Oil Talks Delegation Reports on Moscow Trip (MORGUNBLADID, 2 Oct 79).....	126
Conservative Paper Complains of Oil Board, Moscow Talks (Editorial; MORGUNBLADID, 5 Oct 79).....	128
Energy Conservation Board Issues Savings Suggestions (MORGUNBLADID, 5 Oct 79).....	131
Flugleidir Chief Sees Stronger Company (MORGUNBLADID, 2 Oct 79).....	136
Loftleidir, Flugleidir Merge in Revival Try (MORGUNBLADID, 4 Oct 79).....	137
Soviet Oil Costs, Geared To Spot Market, Cause Havoc in Economy (FRANKFURTER ALLGEMEINE, 19 Nov 79).....	139

IRELAND

Irish Terrorists' Connections With Middle East (Luigi Romersa; IL SETTIMANALE, 10 Oct 79).....	141
---	-----

NETHERLANDS

CDA, VVD Disagree on 'Specifications '81' Program (Johan van den Bossche; ELSEVIERS WEEKBLAD, 20 Oct 79).....	144
CP Condemns Jailing of Czech Dissidents (Editorial; DE WAARHEID, 23 Oct 79).....	150

NORWAY

Briefs Polish Students Expelled	152
------------------------------------	-----

PORTUGAL

PSD Shadow Cabinet Member Scores Lack of Preparation for EEC Talks (Alberto Regueira; POVO LIVRE, 3 Oct 79).....	153
--	-----

CONTENTS (Continued)	Page
Pintasilgo Government Ideologically Polarized (EXPRESSO, 4 Oct 79).....	158
Lucas Pires Sees Need for Constitutional Referendum (Lucas Pires Interview; POVO LIVRE, 3 Oct 79).....	164
Article Notes Soviet Contacts in Azores Go Unhindered (Francisco Ferreira; A TARDE, 7 Nov 79).....	171
PCP Central Committee Sends Greetings to Various CP's (AVANTE, 8 Nov 79).....	174
Portuguese Challenging British Hold on Port Wine Industry (Andreas Dalgaard; BERLINGSKE AFTEN, 2 Nov 79).....	180
SPAIN	
ETA Infiltrates 'Abertzales' Organizations (ABC, 20 Oct 79).....	183
Sanchez-Gijon on Military Reform (Antonio Sanchez-Gijon; ABC, 18 Oct 79).....	185
Briefs	
Increase in Consumer Prices	189
Continued Increase in Foreign Reserves	189
SWITZERLAND	
National Council Elections Favor Moderates (NEUE ZUERCHER ZEITUNG, 24 Oct 79).....	190
Results Detailed FDP, SVP, LPS Successful, by Bue	
TURKEY	
'HURRIYET' Interviews Prime Minister Demirel (HURRIYET, 21 Nov 79).....	194
Briefs	
Caglayanil Seeks Medical Treatment	200
Meat, Fish Association Exports	200
Agreement With Soviet Union	200

PCI'S BUFALINI INTERVIEWED ON EUROMISSILES

Rome RINASCITA in Italian 9 Nov 79 p 7

[Interview with Paolo Bufalini: "First of All, Negotiate"]

[Text] We did not start with any bias; we wanted a rigorous look into the real state of armaments involving the Atlantic Pact and the Warsaw Pact. If the balance has been upset, it is being restored by establishing parity, but on different levels. The worst way to handle this would be to have the negotiations preceded by a consensus prior to the stationing of Pershing and cruise missiles. The alternative is between balanced arms control and the resumption of the arms race. Appeals addressed to the most highly developed countries.

[Question] On the issue of "Euromissiles" some political circles and some press organs are currently trying to distort the position of the PCI [Italian Communist Party], interpreting it as proof of its withdrawal on the field of Eurocommunism. This has also produced some unfortunate outbursts, such as the one that forced the Hon Piccoli to engage in self-criticism. In your opinion, what is the purpose of this campaign?

[Answer] We are dealing here above all with manifestations of an anti-communist offensive which, against the background of a profound internal crisis within the DC [Christian Democratic Party] and the troubles the socialists are having, seeks to confuse or wipe out the signs of a calmer and more objective approach to our proposals, positions, and initiatives -- signs which are important in some respects. Here it suffices to think of the stories that were put out recently about opposition within the party leadership group and, if you will permit me, the distortions and inventions concerning my own positions; anybody who has a collection of L'UNITA and RINASCITA and who can review my polemics against the DC in 1978 and 1979 will be easily able to refute these distortions and inventions. But let us leave these aspects aside and let us get to the specific problem of nuclear arms in the European "theater."

I believe--and the most sincere observers brought that out likewise--that the position we assumed on the SS-20 missiles and on the Pershing missiles was important, first of all, in connection with the cause of peace and the defense of national interests and, secondly, also for the purpose of a concrete verification of the validity of the principles of that new internationalism, that new concept of international relations which inspires Eurocommunism.

The position adopted in the 17 October PCI directorate resolution is very clear. We did not say that the military balance is intact and that the United States is prejudicially wrong. We did say that--as far as we know--neither Italy nor any other governments have sufficient elements of information which are decisive in arriving at a conclusion in one direction or another; and we asked for a rigorous review of the real status of armaments; a verification to be conducted by those bodies which may be considered suitable, involving the system of the Atlantic Pact and the system of the Warsaw Pact. If this review tells us that the balance has been upset, then we think--and this is what characterizes our position--that the balance must be restored by bringing about parity, not on higher levels, but on lower levels, removing the factors (specifically, the missiles) which would turn out to be responsible for upsetting the balance. It is the strength of our proposal and its autonomy from any preconceived scheme that some people now wish to confuse by presenting it in a distorted manner either by claiming or presuming that there are still any ambiguities among us to be clarified regarding the position toward the SS-20 missiles.

[Question] The parliamentary debate on the policy which the administration intends to pursue has also been handled with a view to stressing the differentiation between us and the other parties. Now, in your view, what really came out of that debate? Did the respective position on the topic of the military balance, on the stationing or the not stationing of Pershing and Cruise missiles in Italy, on disarmament negotiations move closer together or further apart?

[Answer] The parliamentary debate undoubtedly showed that there are political forces in Italy which are entirely subordinated to the American demand; forces which have no questions or doubts about an arms race of a new quality so as directly and first of all to involve Europe in a nuclear conflict. But it also showed us that there are more responsible and pre-occupied forces whose orientation makes it possible to keep open a dialogue inspired by the objectives of peace and aimed both at the United States and at the USSR. We have serious reservations, and we have said so, on the specific proposals of those forces (adopting a political decision which, for better or worse, would depend on future disarmament negotiations). But our proposal calling for a prior verification has leeway for discussion about the places of the negotiations which we would however like to see started right away, before steps are taken toward new rearmament. There may thus be points of agreement between our positions and other positions which emerged in parliament and which are inspired by serious concerns

springing from the American requests. It seems important to me, in any case, to note the vastness of the lineup which emerged in favor of a rapid and final ratification of SALT II still being held up in the United States Senate and in favor of starting negotiations between NATO and the Warsaw Pact. Disclosing that does not mean "ordering the missiles to stand down," as IL MANIFESTO wrote rather foolishly although, at first, it seems to have understood and approved our position.

[Question] In your opinion, what are the ways for specifically arriving at those negotiations between the Atlantic Alliance and the Warsaw Pact which should lead to a lowering of the current strategic balance level among the forces of the two blocks?

[Answer] I said before that the places and the methods of negotiation may be the most diverse. The simplest would be a direct relationship which would involve all members of the Atlantic Pact (in other words, including France) and all of the members of the Warsaw Pact. But we must not rigidly insist on that because we are interested in the results and not in the ways and means when it comes to the proposals pertaining to the specific place.

What I would like to stress is that the worst way to handle this—which would involve serious risks—would be to arrive at a consensus prior to the stationing of the Pershing and cruise missiles in the hope that this would then be followed by negotiations capable of no longer making that missile installation necessary. We think that the negotiations should take place first and we, for our part, do not hesitate to say that, if the review shows that the missiles to be removed or not to be installed are the SS-20s of the Warsaw Pact, then we will together fall in line with the other timely initiatives. But do the others—those who criticize us and question us—have the same autonomy regarding the American Pershings? Let me say one more thing. As comrade Natta already stated in his speech in the Chamber, we considered the suitability of having the Italian government propose to the USSR and to the United States, to the countries of NATO, together with the immediate start of negotiations, a temporary suspension of the production and installation of, on the one hand, the SS20s, and on the other hand, the Pershing and cruise missiles. If the Italian government were to move in that direction, we would support it.

The dilemma facing us today—summarizing what was said by the party directorate—is either a balanced control of armaments, aimed at gradual disarmament measures, or a return to the arms race.

We must prevent any act, any attitude that would push us in that second direction.

This is demanded by the gravity of the crisis we are experiencing; this is demanded by the appeals which the most highly developed countries are getting from countries in which millions of people, including children, are still dying of hunger.

But I would like to add one last reflection which it is worth coming back to. Is the imbalance, which the United States is afraid of, really only a military imbalance or is it not rather an imbalance which has vaster causes and more profound motivations? Does the real imbalance (beyond what can be ascertained on the specific imbalance presumed for the European strategic theater) not spring from the ever more profound and acute contradictions which are becoming manifest within the countries of the West and relations between those countries and the countries of the Third World? Does the solution to this real imbalance reside in rearmament, in waste, and in spending on rearmament, or does it reside in the pursuit of policies which absolutely require international detente, international cooperation within a new economic border that would possibly also involve the East and that would be rendered impossible or much more difficult by a preventive agreement to a revival of the arms race? Is it easier to ask Moscow to suspend the production of SS-20s on the basis of a treaty--and we are ready to support such a course--or on the basis of the decision to begin to install the Pershing missiles in Italy and in other countries of the Atlantic Pact? It does not seem to me that there is any doubt as to the answer.

5058

CSO: 3104

BREZHNEV'S DEMISE TO POSE CHANGES FOR WEST EUROPE

Bonn DEUTSCHE ZEITUNG in German 9 Nov 79 p 13

[Article by Ruediger Altmann: "An Old Man's Last Look"]

[Text] Europe will not be the same. Is German foreign policy aware of this? Currently it seems somewhat too volubly to emphasize the intention to rearm and somewhat too stridently to indicate grace period still remaining.

Indisputably the Soviets interest in the Federal Republic has shifted accents for some time past. Not for nothing was German foreign policy praised and appreciated by Brezhnev. The Soviets are not hiding their belief that the Federal Republic is the most important European power. Once it was obvious that the much touted multilateral Helsinki Conference campaign earned Moscow more disadvantages than benefits, this view is likely to have been strengthened.

Incidentally, the renewed Soviet interest is not based only on the Federal Republic's economic strength and military potential. It is due at least as much to the Federal Republic's internal stability, demonstrated brilliantly (for Russian eyes) in the years of recession and unemployment. On the other hand this rapprochement has been matched for some years by growing Soviet influence on German politics (though not internal affairs unless we count the lifting of the ban on the KPD).

Ustinov's Threat

It was the Federal Government's attitude which finally persuaded the United States to give up the neutron bomb which could have paralyzed the combat strength of the Soviet tank armies. No other NATO partner has made such concentrated attempts to urge the United States rapidly to conclude SALT II. By contrast the Federal Republic tacitly tolerated Soviet delaying tactics in Vienna. In fact the Federal Chancellor repeatedly emphasized German consideration for certain Soviet interests to the extent of risking to be misunderstood by President Carter's security adviser. Herbert Wehner, the SPD

majority leader, never tires of stressing the nonaggressive nature of Soviet armament.

Is it fitting from this standpoint that the opposition's chancellor candidate considers it proper, after his nomination, to go to Moscow to receive his foreign affairs consecration? It was not his fault that up to now all that happened was a trip down the Danube to Kadar by the Munich provincial assembly.

Possibly "standpoint" is too strong a term. We are actually dealing with subtle shades of emphases. No secrets are involved, no reminders of Rapallo. And yet: The European image of German foreign politics has changed hue.

The government coalition does not reveal any inclination to repeat the hectic intimacy of the Brandt-Bahr negotiations. Foreign Minister Genscher is safe in claiming that he is administering the guidelines of our foreign policy. Actually at this moment nothing else seems available.

Nevertheless Brezhnev's speech in East Berlin was unmistakably addressed to the Federal Republic. Was it a ruse to inveigle us onto the slippery slope? Let us not forget the threats uttered by Defense Minister Marshal Ustinov who, quite seriously, called on us to grasp his mailed fist and shake it.

Still, in politics there is such a thing as an old man's visions just as he is about to quit power. Adenauer, for example, scared his parliamentary and party following by his "sudden" appreciation of the "peace loving Soviets"--in other words an opening to the East which by no means amounted to a change in direction, merely to an expansion of the spectrum of German interests.

In the heyday of his government hardly anybody could outdo General de Gaulle's coolness and distance when it came to relations with the Federal Republic. At the end of his reign, though, he considered a close alliance with the Germans a perfectly reasonable prospect.

At the same time, however, advanced age--approaching the final silence--is not conducive to dialogs. We may recall the "dying vote" of medieval kingship, the right of the ruler on his deathbed to name his successor.

Among the visions of old men is solitude, the review of failed achievements --and also the disdain of man tactics. The view of the aged, bidding farewell, is therefore apt to be more realistic than the hustle and bustle of younger men. The old also feel the need to leave a last testament to a philosophy by which they themselves may not have lived. Possibly that holds true for Leonid Brezhnev, possibly not. In any case there is someone in Bonn all too receptive to such visions: Herbert Wehner.

A Lonely Old Man

Wehner is more than the taskmaster of the Social Democrat Party. He is its Cato and, incidentally, an old man grown lonely. He is ridden by something

which weighs more heavily than any vision: The need for an understanding with Russia as his fateful task.

The scope for misunderstanding such a vital need is all too obvious. A former communist who spent years of exile in Moscow, possibly with old connections which have not turned a deaf ear to him? In conservative circles of the Federal Republic Wehner continues to be the prime suspect, even more so than Willy Brandt or Egon Bahr. He is considered capable of "anything."

The absurdity of this estimate is this: Wehner himself is a conservative. His commitment to foreign politics open to the East has little in common with the tradition of German social democracy; it is firmly rooted in the Prussian tradition. Nowadays this may not mean much.

German history has been fractured far too often for such memories to be portentous. Yet the possibility of this kind of option has a basis in our geographic situation, especially when we realize that the current status of Central Europe certainly does not promise lasting stabilization. In some respects Berlin is the symbol of this situation. It is right and wrong at one and the same time for German politics constantly to protest that the Federal Republic has no revisionist intentions and that the West German public does not wish for any change.

It is right insofar as our political plans are concerned. It is wrong if this protestation naively includes the belief that the situation would never change because nobody at any time would desire such a change.

Hardly Any Options

Such a claim is not only wrong, it is stupid. The power capable of changing the situation is the Soviet Union. On it will depend whether matters are going to continue the same way they developed from the improvisations of the immediate postwar period; on it, not on the Federal Republic and its protestations, nor on the Western powers.

Europe will not continue as is. The West European countries do not have many independent options unless they manage to lay the foundation of political union. Nor do they have much time left, certainly not enough to allow them for another generation to carry on a policy of muddling through.

What, therefore, will German politics contribute? According to our rather too voluble Minister Genscher it will, come December, champion a NATO resolution to station intermediate ballistic missiles. At the same time the firmness of this intention is tempered by the --equally overemphatic--indication that the placement of rockets is bound to take some years. In the meantime negotiations could continue.

And in the meantime? Will relations with the Soviet Union further improve in the meantime? Who would not wish for that? At the present time it

would amount to a totally unfounded speculation to suspect the Soviets of intending, one of these days, to offer us a nonaggression treaty. Another day there might be more realistic speculations of that kind, more realistic also for a German foreign policy which, in consequence of the current conceptual weakness, is content with tactical considerations only.

Such a pact would have one outstanding feature: It would legitimize Soviet rearmament provided it was not directed against us. German rearmament, on the other hand, would lose its justification. Let us consider it well.

11698

CSO: 3103

SMALL POWERS MAY GAIN ROLE IN FORCE REDUCTION TALKS

Brussels LE SOIR in French 15 Nov 79 p 3

[Article by Jean Roussel: "European Defense and the Two Germanies"]

[Text] The NATO Nuclear Planning Group is scheduled to end its current meeting in The Hague on Wednesday 14 November. Its agenda does include discussion of nuclear weapons for the defense of Europe, but the actual decision on this issue is to be made at the NATO meeting [of defense and foreign ministers] in Brussels this December. The subject of these new weapons obviously fits into the pattern of far-ranging political negotiations which have already seen Brezhnev announce he would withdraw troops and tanks from East Germany, and also seen the United States offer to withdraw 1,000 nuclear warheads from Europe as compensation for the modernization of NATO's nuclear forces. For obvious reasons, the Federal Republic of Germany is the central point of this issue which encompasses not only nuclear weapons but also possible troop reductions in Central Europe, a matter currently being discussed at the MBFR [Mutual Balanced Force Reduction] talks in Vienna.

The Bonn government's attitude toward the Soviet proposals definitely seems to confirm reports from Moscow indicating that the campaign against the stationing of new nuclear weapons in Europe is aimed primarily at Bonn.

The proposals contained in Brezhnev's 6 October speech are being taken very seriously in the German capital. It now looks as if arms reduction will become the keynote of the Social Democratic Party's election campaign.

The program the German Government recently submitted to its Atlantic Alliance partners was prompted by the desire to succeed, at last, in establishing a uniform basis, accepted by all, on which to evaluate troop strengths on both sides. It is believed in Bonn that multilateral reduction can be achieved only after agreement is reached on the basic elements of the overall problem.

Of the four parts of the plan proposed by the FRG, especially noteworthy is the suggestion aimed at getting member countries of the two organizations, NATO and the Warsaw Pact, to commit themselves to involving the national forces of all participating countries in the collective reduction measures to be taken by both sides under the terms of the final agreement.

Equally noteworthy is the indirect admission of East Germany (GDR) into future negotiations, for another part of Bonn's program proposes publication of a supplementary declaration of intention guaranteeing that each country participating in the MBFR talks in Vienna, and not solely the "great" powers, will proceed to reduce their national armed forces to an appreciable extent. Some observers view this proposal as possibly depriving the two "great" powers, the United States and USSR, of their monopoly of the negotiations by allowing such "small countries" as Poland, Czechoslovakia, the Benelux countries, as well as the FRG and GDR, to have a role in the negotiations. These same observers also point out that disarmament and force reductions are now included in the bilateral subjects discussed by representatives of the two Germanies whenever they meet.

In this connection, it should be noted that political circles in Bonn were astounded to learn that the leader of the SPD parliamentary group Herbert Wehner, had sent a letter to the spokesman of the West German Communist Party--the DKP, known to have close ties with Moscow--informing the latter that the SPD was very carefully studying the proposals Brezhnev had made in October.

At their 24 July 1979 meeting, representatives of the two Germanies, acting as ambassadors--a title rejected by the FRG but which the GDR is attempting to impose--broached, for the first time, the subject of detente, and more specifically, the issue of arms reductions.

This approach is perfectly logical from the FRG's standpoint. It must be remembered that its policy has consisted, for years, in increasing the number of contacts and opening negotiations on all subjects that arise, with a view to maintaining and expanding the "inter-German" dialog. This is, therefore, a well-known and established FRG policy. But these past few days mark the first time--and in what a context!--that the head of the West German Government has so clearly taken a position in the disarmament negotiations sphere.

8041
CSO: 3100

NORDIC BANKERS PROJECT 1980 GROWTH RATES

Helsinki HELSINGIN SANOMAT in Finnish 4 Oct 79 p 24

[Article: "Nordic Countries' Rapid Economic Upswing Levels Off: Norway Has Top Growth Rate"]

[Text] A joint review of the economic situation issued by four Nordic commercial banks states that economic growth in all the Nordic countries has clearly accelerated this year. Finland is at the top of the growth curve this year, but next year Norway will flash by. Finland, will, however, manage to win the silver medal.

The review was prepared by the National Joint-Stock Bank of Finland (KOP), the Swedish Commercial Bank of Sweden, the Norwegian Credit Bank of Norway and the Copenhagen Commercial Bank of Denmark. The banks' top economists met in Helsinki this time round.

"Economic growth in the Nordic countries this year has doubled due to the impact of exports. However, it appears that this growth will reach its peak within the current year. Next year, with the exception of Norway, growth will slow down in all the Nordic countries," KOP assistant department head Heikki Koivisto maintains.

According to Koivisto, at the present time the Nordic countries' economic problems are very much the same kind; only the dimensions differ. Oil price hikes have speeded up inflation in exporter countries and enlarged trade balance deficits. This limits the Nordic countries' opportunities for expanding their export trade and production.

Inflation Threatens Sweden

Sweden's economic recovery, which began last year, has gained additional impetus this year.

Dr Lars Jacobsson of the Swedish Commercial Bank notes that rapidly rising inflation and a growing trade balance deficit are again dimming favorable economic prospects.

Inflation gnaws away at consumers' available income. Nor can investments maintain their present rate of growth.

Last year Sweden's GNP grew by 2.8 percent. This year, according to predictions, it will grow by 4 percent and next year by 3 percent.

Oil Keeps Norwegian Growth High

Thanks to actual and expected income from oil, Norway's economic growth has been faster and more even than that of the other Nordic countries. Last year's growth rate was 3.5 percent, this year's will come to 4.5 percent and next year's to a full 6.5 percent.

Norway's biggest concern is the maintenance of its export industry's ability to compete. For this reason the government froze prices and wages a year ago. However, this resolution is due to go out of effect by the end of the year. The Norwegian Credit Bank's chief economist, Thor Bang, appraises the Norwegian situation as follows: "This week next year's budget, the contents of which are however uncertain, particularly since some amount of government reform is expected, will be made public."

Denmark Awaiting Elections

Economy expert Bent Ren of the Copenhagen Commercial Bank says that the elections to be held at the end of this month will go a long way toward deciding on Denmark's future economic development.

Since the end of last year, production and employment in Denmark have improved. However, the familiar consequences of growth have been inflationary pressures and a foreign trade deficit.

Last summer the government began to tighten the bit to limit domestic demand. Continuation of the hardline economic policy would, however, not have been politically possible without the elections.

Denmark's economic growth rate is clearly the lowest among the Nordic countries, last year's amounting to 1.2 percent, this year's 2.5 percent and next year's 1.7 percent.

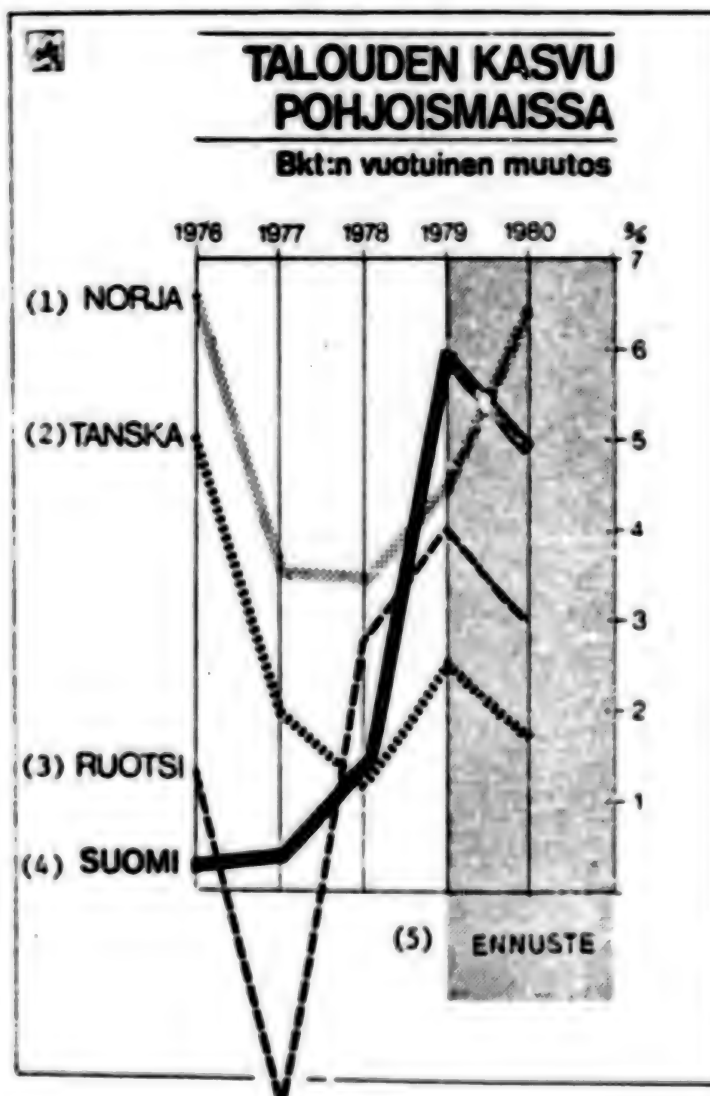
Things Going Well in Finland

"Finland's economic growth has developed faster than anyone would have dared to predict. Problems stemming from overheating are to be expected, but not very big ones," Koivisto said of Finland's own prospects.

The KOP estimates this year's growth rate at 6 percent but, according to Koivisto, it could just as well creep up to 7 percent.

At present the export sector is still strong, consumption is on the rise and investments are expected to considerably accelerate as of the end of the year.

Economic Growth in the Nordic Countries
Annual Changes in the GNP



Key:

1. Norway
2. Denmark
3. Sweden
4. Finland
5. Predictions

STATE REFORM PROBLEMS TROUBLE GOVERNMENT

Tindemans Pleads for Dialog

Brussels LE SOIR in French 3 Nov 79 pp 1, 2

[Article by Social Christian Party Chairman Leo Tindemans: "The State That Is Dying"]

[Text] In the speech I delivered in the Chamber on 18 October in the name of the CVP [Social Christian Party] delegation, I addressed myself not only to my Walloon fellow citizens in order to assure them as to the intention of the Flemish Social-Christians but I also tried to describe the mentality which I am now encountering in the northern part of the country.

To the Walloons I said that there is no anti-Walloon sentiment in Flanders. Because they rarely ever read Flemish newspapers or listen to Flemish radio or television, the Walloons are not at all familiar with Flemish psychology and mentality.

Now that Wallonia is demanding a fundamental reorganization of the country, the Flemish are not opposed. Originally, the Belgian state was not very kind toward the Flemish population. It took decades to turn the Belgian house into a home where Flanders feels comfortable. Language laws, expansion laws and economic decentralization laws, cultural autonomy and of course the role of the capitals in a country which is not bilingual but where people simply speak two languages (yes, even three, my German-speaking friends) all contributed to that.

But times change; Flanders, a poor country for a long time, became industrialized toward the end of the fifties, just at a moment when Wallonia, an industrial center for more than a century, experienced a certain decline.

Can Wallonia be more autonomous in economic matters?

Flanders refuses even to judge this aspiration and accepts it. But it demands a positive, fruitful, and profound dialogue on the final structure of this Belgium. Nobody wants to destroy the common fatherland; one must reform it--and that will be spelled out in the Constitution--one must organize it better, one must settle quarrels, one must provide lasting solutions for our specific difficulties.

One Flemish concern also is that the new blend should definitely not psychologically and politically push into a minority position a people who, from the numerical viewpoint, is in the majority.

Is it really so awful to propose this dialogue to the Walloons? Is not Belgium first of all an accord between the Walloons and the Flemish? Who would dare deny it, objectively speaking?

Pending the development of this dialogue, I have for several months been attending countless separate meetings where Flemish, French-speaking Brusselsese, and Walloon lawyers, economists, and social leaders have been telling each other the plain truth, inspired by only one desire: How to save the state by reorganizing it in an intelligent fashion, by responding to the grand aspirations of its citizens, but also to the laws of good management and viability of organizational structures.

Four main points were developed at these meetings. First of all, a united Belgium. There is no need to point out that this Belgium still has its defenders and sometimes they have good arguments to support their thesis. But since it is impossible for the country to establish one single government without a government reform, the idea is dropped.

Next came the application of Article 107 quater on the regionalization of the 1970 Constitution.

On that article one could still establish unanimity provided one interprets it as desired in the 1970 Constitution, in other words: The standard-setting power would be on the level of the royal decree. Between 1970 and 1974, the most adventurous lawyers dared place it between the royal decree and the decree-law. And what do people demand now? That it be placed on the level of the law. This is something else and therefore involves a new demand which the fathers of the 1970 Constitution did not know anything about.

Here comes the third point. It is striking to find that, after several hours of discussion, unanimity (or something close to it) is achieved on a federal formula. But the intelligent defenders of these ideas strongly emphasize that this has to be a real federalism, in other words, with five, seven, nine or eleven, not a mixed-up formula which is called federalist.

Everybody says that they want to fight for this proposal. But when you talk, man to man, with the sincere supporters of this reform, they will tell you that they no longer see a practical possibility of implementing this.

And the debate ends with statements which express the desire to put an end to our endless community quarrels, in other words, nobody wants to waste the most beautiful years of his intellectual life in meaningless bickering.

Instead of starting all over again every four years and engaging in mostly theoretical and complicated constructions—it was said at the time—"let us give very broad autonomy to the two entities making up Belgium and let us see how the problems of coexistence and of the capital can be solved."

I said that to the Chamber because that is the experience I have now had at least a hundred times over and because parliament must know about it. There are several areas where we can no longer run things and the crisis of the state, our state, is just too striking. Are not the men of good will numerous enough to resolve it intelligently?

VDB: Brussels Greatest Problem

Brussels LE SOIR in French 3 Nov 79 p 2

[Text] At Jette, during one of his first political statements as the new chairman of the PSC [Social Christian Party], Mr Paul Vanden Boeynants said the following in particular, this week, in connection with community problems and the problem of the capital: "Brussels remains at the core of our difficulty. The moment of truth is drawing near and the end of illusions and bluster on the part of certain people is coming soon. The PSC is determined to tackle them in order to solve them.

"Trying to do so without the participation of the people of Brussels is wrong. The PSC will not accept any unilateral revival of the issue, no dictate, no ultimatum. But it will be open to dialogue in order to improve that which can be improved and any balanced solution will receive its support.

"Brussels is only one region. It is a region, a city, a capital, and tomorrow, a province; and it remains the seat of European institution. Brussels is and moreover must be the place where the two communities meet. We therefore have more rights than others but we also have more duties than others."

Mr Vanden Boeynants thought the recent proposal presented by Mr Martou "would boil down to turning Brussels into one boulevard and a few buildings. That gentleman perhaps would like to live in a Brussels that would have become an enclave, like West Berlin. We want to

continue to live in a Brussels such as we know it and we therefore do not want a Palestinian solution."

As for the participation of the FDF [Francophone Democratic Front] in the administration, the speaker said: "We are in an alliance and we have entered into an agreement. So long as the partners in the administration respect this agreement and this alliance, so long will we be determined to do the same and to accept all of the requirements springing from the government coalition."

Finally he noted: "We will never be unconditional followers of the government but when we do support an administration, we will do so seriously, loyally, and totally."

Mistrust Governs Discussions

Brussels LE SOIR in French 4/5 Nov 79 p 2

[Article by P. L.: "Government Reform--Distrust Characterizes Initial Work in Parliament"]

[Text] The parliamentary study of institutional reforms, more precisely, their second phase, which is supposed to be "transitory and irreversible," does not appear to be one of the easiest efforts either. On Wednesday, the Senate reform committee really took up the bills submitted by the administration in order to implement this important chapter of its program. If one were to describe the development of that meeting, one would certainly have to speak in terms of great distrust among the partners in the majority. For the first time, it seems that a certain misunderstanding emerged between the French-speaking parties and the prime minister in person.

To increase the distrust, it sufficed, as if there were any doubt, that the CVP would again come out with its idea of simultaneously discussing the final phase of reform and the bills submitted by the administration. It did not fail to do that, supported on that score by the BSP [Belgian Socialist Party]. For the French-speaking delegation, this meant that the entire administration program setup was being challenged, that one was again shirking the issue of regionalization, and that, as Mr Tindemans by the way did not bother to conceal, one wanted once again to start all over again with a dialogue between the Walloons and the Flemish which would leave the Brusselese out in the cold. It did not take more than that to get them all stirred up.

But while the attitude of the CVP was to be expected, that of the prime minister was rather astonishing. Questioned at length as to what was "transitory" or "irreversible" in the government bills, Mr Wilfried Martens provided an interpretation of the texts which did not satisfy either the FDP or the PS [Socialist Party]. As a matter of fact, he brought up Article 87 of the bill, that is to say, a resolution clause which wipes out Article 1 if the final reform of the government is not accomplished by 31 December 1982. In other words, if, by that date, the third phase of reforms has not become effective, the entire regionalization project will be reduced to nothing.

This particular Article 1 in question here as a matter of fact spells out the territorial setup for the regions. Its cancellation would wipe out the entire edifice built on that basis. On the other hand, Title II of the bill—concerning the broadening of community autonomy—would not fall victim to this cancellation.

In other words, the prime minister supposedly hinted that whatever is of concern to the regions—especially the French-speaking regions—would be provisional whereas that which is of interest to the communities—that is to say, especially the Flemish—would be final. This is not the opinion of everybody.

Be that as it may, Mr Martens promised—for the next committee meeting, an administration report, spelling out article by article what is supposed to be "transitory" and what is supposed to be "irreversible." That note of course will have an important effect in terms of jurisprudence. The French-speaking parties are also worried right now about its content since the first interpretation provided by the prime minister is not the kind that would reassure them. It is thus not impossible that the question might once again be brought up on the level of the administration and that the various partners might demand the right to be involved in the drafting of this note.

As we can see, the involvement of parliament in the area of reforms appears rather arduous. The way in which the work of this Senate committee was started by the way does remind us of the slowness, the hesitations, and the controversies that characterize, throughout the summer of 1978, the work of the chamber reform committee which examined the bills by applying the Egmont pact and which led to the failure we are all familiar with.

Tindemans Approach to Walloons

Brussels LE SOIR in French 4/5 Nov 79 p 2

[Article by C.-L.B.: "Mr Leo Tindemans' Charm Offensive: 'Target Wallonia'"]

[Text] A charm offensive has been launched. Target: Wallonia. It is being developed by Mr Tindemans, at the head of the CVP. Or, rather, it is the biggest party of Flanders which has taken its chairman in tow. In any case, the Flemish Social Christians want the seduction to be turned toward the south.

The operation began in our newspaper. The political "free tribune" column, signed Friday morning in LE SOIR by Mr Tindemans, as a matter of fact, describes the problem such as he saw it: "Is it really so awful to propose a dialogue to the Walloons? Is not Belgium above all an accord between Walloons and Flemish? Who would dare deny that, objectively speaking?"

In a prose which, for the reader, has the advantage of being short, the former prime minister thus outlines the somewhat fuzzy speech which he delivered in the Chamber on 18 October.

While the Walloons in this article could find some sort of prospect, the Brusselese in turn would find rather a dead-end in it. They are not even invited to participate in the debate. "Let us give broad autonomy to the two entities making up Belgium and let us see how the problems of coexistence and the capital can be solved."

The idea was picked up quickly by ZEG, the CVP weekly. On Friday likewise it published an "open letter to our Walloon friends."

The editorial was intended to react to the "false image of the Flemish which has for some years been presented to our Walloon friends." And it was certainly correct to say that "the Flemish are not all militants or sympathizers of the VMO [Flemish Militant Order]." And they should not believe in all of the bad assumptions about the future of Wallonia. The article also expressed regret that "the Belgians, from many viewpoints and also intellectually, are living in two separate worlds and there was never any talk of separatism."

Finally, in a new phase, Mr Tindemans on Saturday morning gave an interview to LA MEUSE-LANTERNE. The dialogue was entitled: "Apart From Some Insignificant Exceptions, There is No Anti-Walloon Sentiment in Flanders."

In brief, the CVP chairman declared that there are only two major communities in Belgium and that the Brusselese, depending upon whether they are either French-speaking or Dutch-speaking, are attached to one or the other. He added: "These two big communities must understand each other in order to determine the final status of the capital." And, here is a fine shading: "I never said that the Flemish and the Walloon should decide the fate of the capital."

Finally he said: "I continue to believe that the Brusselese, who are in favor of regionalization, either do not see it clearly or have another idea in the back of their heads. I believe that, if we cut the pie up again, Wallonia will demand a bigger slice and the Flemish will demand their due. Brussels has nothing to gain here."

After these three sops to the Walloons, one might perhaps believe that the preliminaries are over and that Mr Tindermans and the CVP will now go into action. In other words, that they would extend invitations for "in-depth and serious negotiations." We look forward with interest to learn who the addressees are to be in our political establishment.

5058

CSO: 3100

VAN DER ELST COMMENTS ON FLANDERS, STATE REFORM

Brussels LE SOIR in French 7 Nov 79 p 1

[Article by Frans Van Der Elst, VU [People's Union] senator]

[Text] How are the Francophones in our country informed of the evolution of public opinion in Flanders? Not many read the Flemish press. That is also true of Francophone journalists. Not many have an objective, clear view of the diversity and relative importance of Flemish organizations and groups. The Francophone press generally has a tendency to make a distinction between a moderate Flemish opinion and the "extremists." This distinction is very arguable because it is ill-founded. It is too easy to treat as extremists all those who express an opinion one does not like so well. It is just as fallacious to want to make a distinction between Flemish opinion and the political parties in Flanders by claiming that public opinion is more moderate than the political parties.

It goes without saying that the political parties cannot for long allow themselves to defend opinions that are not shared by public opinion and by their readers in particular. They have no interest in doing so.

This being said, I should like to call attention to the stand taken by a society that is no doubt little known in Francophone circles, but is nevertheless important because of the quality of its members.

It is the "Vlaamse Leergangen" [translation unknown] of the KUL (University of Louvain), most of whose members are professors at that university.

There is no point in explaining the *raison d'être* and objectives of this society, which once played an important role in Flemingizing the Catholic University of Louvain. Suffice it to say that it is certainly not a group that could be called extremist. We point out in passing the names of Fernand Collin, the former president of the Kredietbank, Gaston Eyskens, former prime minister and minister of state, etc. It is really a matter of important personages. This association has sent to the Flemish members of Parliament an appeal dealing with state reform. It seems to me that this stand is quite characteristic of the evolution of public opinion in Flanders, of the attention paid to it, because--I repeat--it is not a pressure group of any

kind, nor is it a group of extremists. This stand reflects an awareness, a profound view of the basic problems of state reform.

Confronted with those problems, they have taken the time to reflect, to go more deeply into certain fundamental aspects of that reform. The conclusion is clearly summarized in the note.

First, they reject the idea of a three-way regionalization or federalization. The reasoning is clear: there are only two communities in this country (except for the two eastern cantons, where German is spoken). The inhabitants of the Brussels area do not represent a third community. They belong to one or the other. It is the two large communities that must form the foundation of the Belgian state. Each of these communities must be able to exercise in a sovereign fashion the powers that belong to it, including the power to grant or withdraw fluency status to or from the linguistic minorities in its territory. In the second place, Brussels' position as the capital of the federal state is described. A special status is needed for Brussels, taking into account the role of a capital in a federal state, as is the case in several federal states. That status must guarantee legal and absolute equality for both communities in the capital. Otherwise Brussels will be unable to play the role of capital and link between the communities.

To want to make Brussels a third region, on an equal footing with the two large communities, is incompatible with its status as capital.

Finally, one arrives at the problem of public finances in a federal state. The communities must be able to have at their disposal, freely and directly, their own means; endowments can only be supplementary.

The principle of solidarity between the communities is not to be rejected, but cannot be the point of departure and the foundation of the financial system.

That system must sanction the principle of the communities' responsibility for their finances, which implies that they must provide themselves with the financial means to cover their expenditures.

I believe I have summarized the essential points of this stand and the appeal to the Flemish members of Parliament. In my opinion it faithfully reflects the evolution of the ideas about state reform in Flanders.

It really involves radicalization, no point in denying it. But attention needs to be called to it because that concept, that current, has become preponderant and it will be hard not to take it into account. That is true for the Flemish political parties in power, despite the governmental accords. It is a basic element of democracy that political parties must accept and respect the will of the people. It is better to be aware of the situation than to try to pursue a policy that is condemned to failure and waste precious time, if we want to get state reform during the present legislature.

ECONOMIC AID TO FLANDERS DETAILED

Brussels LE SOIR in French 7 Nov 79 p 2

[Article by PL: "State Aid to the Big Economic Sectors: 78 Percent for Flanders"]

[Text] The expenditures the state is making in favor of the big economic sectors that are considered "national" are currently nearly four times higher in Flanders than in Wallonia. In the 1979 budget public interventions in coal, steel, shipbuilding and the nuclear sector will represent a real cost for the state of 25,130,000,000 francs.

Unofficially broken down according to the regions, the cost is going up to 19,600,000,000 for interventions destined for Flemish implantations, to 5,530,000,000 for Wallonia, and to almost nothing for Brussels. This is 78 percent to Flanders against 22 percent for Wallonia.

It is true that those proportions are not new. The Walloon Regional Economic Council has already come out several times against such an imbalance. The 1979 budget merely confirms a well-known state of affairs. That having been said, although it hardly contributes any novelty, the regional analysis of state interventions in the big national economic sectors gives a rather precise idea of the financial trends operating throughout the public treasury. It is sometimes astonishing, in that it overturns some prejudice or other.

Thus, no one is surprised to learn that in 1979 Flanders coal mines will cost the state 9,300,000,000, while the Walloon coal mines will not cost over 2,500,000,000. Just as, implanted almost exclusively in Flanders, shipbuilding represents an intervention of 3,500,000,000 in favor of the northern part of the country, with no compensation for the south or the center. The importance of the Mol Center for the Study of Nuclear Energy as compared with the Fleurus Radio-Elements Institute, has also conditioned us to the fact that the former, implanted in Flanders, receives 2,100,000,000, while the latter, installed near Charleroi, costs the state a mere 230,000,000.

On the other hand the influence, which is on the wane, represented by Walloon steel has been so emphasized that is startled to learn that the state is going to spend this year, in concrete terms, 4,700,000,000 for steel manufactured in Flanders, against only 2,800,000,000 for similar Walloon enterprises.

The state is known to intervene differently in Flanders and in the Walloon steel basins. On the one hand, it chiefly contributes expense money to competitive firms. On the other hand, it basically guarantees the loans that serve to restructure and must be repaid by the parties concerned. The cost of the first formula is obviously higher than that of the second.

These regional disparities are further accentuated if they are analyzed with regard to the number of workers employed in the various sectors on both sides of the linguistic frontier. One observes in all that approximately 32,000 Flemish workers are enjoying 19,600,000,000 in public aid. On the other side, 44,000 Walloon workers are receiving just 5,530,000,000 in aid. Per capita, this is about 125,000 francs for a Walloon worker, against 615,000 francs for a Flemish worker. Nearly five times less. In steel, the real cost for the state per existing job is even ten times higher in Flanders than in Wallonia.

Such proportion should reduce to silence many of the commonplace comments about Walloon steel being a chasm for millions. Likewise, it should lead certain Flemish economists and politicians who are partial to "the good accounts that make good friends" to more modesty. The national solidarity they invoke at every opportunity, like the solidarity of the workers, appears more relative with regard to these figures than they are saying.

8946

CSO: 3100

VMO EXISTENCE, ACTIVITIES CRITICIZED

Brussel POURQUOI PAS? in French 4 Oct 79 pp 12-14

[Article by P.C.: "A New Plague of a Queer Color"]

[Text] When the VMO [Flemish Militant Order] parades in the Fours or elsewhere, it frightens one. And it breaks the law. The recent excesses and a certain apathy on the part of the police have produced a justifiable reaction.

"Article 1 bis. (Also) forbidden are exhibitions in public by private individuals in groups who, by their actions or by the uniforms they wear or by the equipment they carry, convey the appearance of military troops."

Is this not sufficiently clear? This text, added in 1936 to the 1934 law on private militias is unquestionably applicable to the VMO paraders in fatigue dress. At the request of Minister of Justice Renaat Van Elslande, who could of course not have done otherwise, the attorney general of Antwerp asked the public prosecutors of the kingdom to look into and if need be to open an inquiry into the activities of the private militias. Why the general attorney of Antwerp? Because the VMO's headquarters is located in the city. But since the question has been made generally that of "private militias," there is doubtless a fear that a breaker force could be organized on the French-speaking side by way of backlash. It would be called, for example, "Fouronnaise Action." Our politicians seem to be remembering, though belatedly, the parable about he who sows the wind and what he reaps.

The First Death

And if the provisions of the 1934 and 1936 laws are insufficient to allay fears, well, then! the Justice Department will draft a stiffer one. We can only hope it is done before Jose Happart, the restless president of Fouronnaise Action, has announced the first death. It is well known that escalation by way of heros and martyrs is the fastest and the most dangerous.

Meanwhile, when one speaks of private militias, one automatically thinks of the VMO, which has always had a propensity for uniforms, for marching

at attention, for rough methods, and for despising sparrows and half-measures. For the past 30 years, the VMO has recruited real he-men, well built and not too concerned with subtle distinctions.

The movement had its inception within the Flemish Concentration, the ultra-Flemish party of the postwar period, which needed an order-keeping force. Bob Maes, who later became a senator from the Volksunie, took charge. Initially, the VMO assured order at public meetings, took care of troublesome candidates, distributed the party's weekly publication, and took part in membership drives.

Heel-clickings

Subsequently, one suspects, things moved fast. In rapid succession, the organization affirmed its independence from one political party after another. When the Volksunie [VU] was formed in 1954, the Flemish Concentration shock troops rushed to join the newcomers to Flemish nationalist extremism. A strange union and a very stormy life together. For a long period, a perfect harmony prevailed between the party and the "militants" until, little by little, success began to smile on the VU, which won its first parliamentary seats in the 1961 elections.

It was more than a mere difference of opinion as to aims and means of action. The VU showed little appreciation for the resounding heel-clickings within the VMO, whereas the latter felt that the troops' aspirations were-not being taken sufficiently into account. The split loomed at one point but did not materialize. Not right away. Each merely recovered its essential freedom of action within the extremist alliance.

The divorce finally came about in 1964 as a result of incidents that may be considered minor in retrospect. The VMO continued its activities, with ups and downs, over a period of several more years, until it was finally dissolved in mid-1971.

Four Reasons

In the chapter it dedicates to the VMO in its report on the extreme rightist movements in Belgium, the CRISP [Center for Socio-Political Research and Information] states that Bob Maes, the founder and leader of the group, gave four reasons for its dissolution:

1. The VU having reached a "cruising speed" of sorts, it felt no further need for protection from a militia, nor for the publicity the militiamen could bring to it.
2. A campaign was developing against the movement. The police, in particular, were using methods, with regard to the Flemish nationalist militia, characterized as "methods of intimidation." Police searches of members' homes were becoming dangerously numerous.

3. The strongest reason, not to say the most astonishing was: indifference toward the VMO and the declared hostility of the press. In sum: Oh! How painful not to be loved!

4. Internal problems arising from the classic disagreement between the old and the new among the members.

Meanwhile, the Flemish Militant Order had changed its name and become the "Flemish Militant Organization." A few days later, some of the tough guys of 1971 rejected the dissolution and formed a new VMO which retook the thenceforward vintage designation of Flemish Militant Order.

At the Center or to the Right

Today, everything is new: the cuisine, the right, liberalism, Flemish nationalism. The new VMO decided to do honor (please excuse how little!) to the paratroopers' camouflaged combat uniform. These Praetorians were seen for the first time in October 1972 during a major demonstration by the Vlaamse Volksbeweging.

Its membership is in fact quite small: hardly more than 200, it seems. But the row they manage to kick up is more like that of 500 or 1,000. Most of its members are from the region of Antwerp. Frequently, they have taken exception to the extreme rightist tag.

"Nationalism," says the CRISP study, in fact, "is not necessarily rightist (...). While it is true that, today, some small groups can be considered 'leftist nationalist,' it must be noted that from the 1930's until not Flemish nationalism has positioned itself at the center as well as to the right."

This, however, is really not the main question. Nor is the fact that the VMO marchers bring back painful memories to the spectators the most important consideration, but rather the fact that in a good democracy--which we have and must keep!--troops in uniform and equipped, when necessary, with means that can be at least persuasive, are in a position to snap their fingers defiantly, whenever they want to, at the gendarme squads, at those whose job it is to maintain order.

Moreover, with feelings running very high as they currently are on both sides of the language barrier, the bad example is decidedly contagious. We barely managed to come through the brown plague, and we definitely do not want to be caught up in another, regardless of its color.

9399

CSO: 3100

VMO ACTIVELY INVOLVED IN FOURON INCIDENTS

VMO Leader Sentenced

Brussels LE SOIR in French 24 Oct 79 p 2

[Text] The Council Chamber of Tongres confirmed, on Tuesday morning, the sentence for a month of Bert Erickson, the leader of the Vlaamse Militanten Orde [VMO].

The latter was arrested last Sunday at the time of the violent incidents in Fouron, at the same time as approximately 60 other members of his organization. All day Monday two examining magistrates--which constitutes a rather unusual occurrence--initiated a marathon examination of all persons apprehended the day before. All were released at the end of the afternoon, with the exception of their leader, Bert Erickson, charged with breaking the law of 1934 on private militia.

As early as Monday morning, the Flemish nationalist organizations had published virulent communiques.

Were Di and Vlaams Nationale Raad, who demand the immediate liberation of the arrested members of the VMO, Were Di demands, in addition, the resignation of Minister Gramme, considered responsible for the "provocative and brutish" interference of the state police force, and it believes that the Flemish ministers who would continue to sit beside this minister will be banished from the Flemish community.

The Jeunes Volkunie office (VUJO) protested against the interference of the "state police force and against the fact that Flemings have been unable to exercise their democratic right of free expression in Flemish territory." On the other hand, it demands that firm action be taken against the private militia and regrets that a few "hot heads" had attacked journalists.

For their part, the Flemish communal councillors from the Fouron region protest against the "arbitrary" searches carried out at the homes of certain well-known Flemings in the region, also against the fact that on Sunday

morning Flemish residents of Fouron were taken away, detained for a few hours, threatened, then sent back home. According to these same councillors, "there is one law for one's friends and another for one's foes, of which the Flemings of Fouron are the victims." They appeal to the Flemish people to "aid them in their forlorn situation." The "hard core of Flemish residents of Fouron" notes the "provocations" with regard to the VMO and refers to the interference of the group "Herisson" and Action Fouronnaise. While demanding the immediate liberation of Bert Erickson, head of the VMO, it pronounces the minister of the interior and the district inspector responsible for Sunday's incidents and demands their immediate resignation.

The "Vlaams Blok" declares that "the state police force's regime of terror will create counterterror and will encourage the creation of an Irish situation in Belgium." It declares that each member of the state police force who participated in "the terrorist action" will be excluded without pity from the Flemish community and it asks the Flemish population to cease all cooperation with the state police force. The Vlaams Blok demands the liberation of Bert Erickson and the resignation of the prime minister, the minister of interior and the governor of the Province of Limburg.

On the other hand, the Vlaams Blok directed a protest to the Government of the Netherlands because "the state police force were able without hindrance to charge Flemish pedestrians who were on Dutch territory." It believes that it can ask the Netherlands to aid it in maintaining the Dutch character of the Fouron region."

The fact remains that the emergency regulations which were enacted Saturday for the region of Fouron by the governor of Limburg, Mr Vandermeulent, were lifted at the time planned: Vehicular traffic was able to resume normal movement at midnight and, on Monday, as early as 0600, the cafes were able to raise their shutters which had been lowered since Saturday at 1300 hours. On the contrary, the order given as early as 24 September by the district inspector, Mr Peeters, and which forbids in particular any assembling of more than five persons, remains in force. All state police force road blocks monitoring access to Fouron have been lifted and the major part of the police force returned to its barracks in Anvers and Brussels, with all its material, its transport and its cavalry.

The body of magistrates of Fouron had an extraordinary meeting on Monday morning under the chairmanship of the burgomaster, Mr Dodemont, and required the presence of a process-server so that it could officially proceed with an affidavit of damages. Moreover, the children in nursery schools situated in the ransacked school buildings of Fouron-le-Conte, were sent home Monday morning.

The body of magistrates likewise asked for estimates on the restoral of order to the communal records which the Flemish demonstrators had strewn all about. In connection with this, the administration of Fouron is reminded that during previous incidents which occurred on the night of 11 July (the

holiday of the Flemish community), Flemish militants had already occupied the same locations, caused the greatest disorder in the Fouron records and involved an initial cost of approximately 506,000 francs.

The body of magistrates of Fouron also decided, on Monday, to suggest to the communal council to prefer charges against the perpetrators of this pillaging. But, because of the order, still in force, given by Inspector Peeters, and forbidding any assembly of more than five persons, the communal council of Fouron cannot meet now because these debates must be public.

Monday afternoon, members of the Tongres criminal investigation department went to the Fourons, and more specifically to Fouron-le-Comte, in order to search there for objects which could have been left there the night before by the Flemish demonstrators.

On the roof of the schools' covered playground, behind the communal administration's buildings where the members of the VMO had committed significant damage, the investigators found clubs, catapults, steel balls, penknives and switchblade knives. Most of these weapons were concealed under a ledge jutting out from another roof.

All these objects were immediately brought to Tongres' public prosecutor's department. And it is specified that the catapults discovered in this manner are definitely more sophisticated than children's toys. They were manufactured, under a patent, by a German firm.

"We have been searching, of course, for a long time, for an appeasement formula concerning Fouron, but it seems impossible that the present government can modify the legal situation. And, consequently, the only solution to the serious troubles which the region is experiencing would be a truce," Minister of Interior Georges Gramme stated.

And concerning the basic issues of the problem, well acquainted with the region, he said that the law, for the moment, satisfies no one. Thus, it is necessary first of all "to allow the Fouron residents to live in their homes."

Erickson Portrayed

Brussels LE SOIR in French 25 Oct 79 p 2

[Text] With regard to this Bert Erickson, the leader of the Vlaamse Militanten Orde, now under arrest for a month, as confirmed by Tongres' council chamber of magistrates, after Sunday's confrontation in the Fourons, is it necessary to speak of a simpleton or a fanatic? An idealist or a publicity seeker?... An opinion concerning him is formed by watching, in the sad epic in which he seems to consider himself the hero, his slender form, the hard features of his hatchet profile, the sharp tremblings of an imaginative psychoneurotic?

He is of course known in the region of Anvers where he was born--he is 47 years old--of merchant parents. He maintains a cafe there, with his wife and children. And the sign is "Odal," who is a god in Germanic mythology.

Too young to be really questioned about his attitude during the occupation, he became a member of the VMO of the late Wim Maes very early. Before long, he took the head of the organization, supported by his rowdy daring and his passion for adventure. His career as a leader is nevertheless not absolutely secure because both his egotism and his opportunism are sometimes challenged in his group.

It has been observed that in the search, by the police, in the field, he never appeared to be carrying a weapon, in contrast with his confederates around him.

He has been mentioned in the press since 1969--sometimes under the first name of Armand, most often under Albert--and, for the majority of the cases when he appeared before a court of justice.

So he was the originator--or the instigator--of the removal in Austria of the remains of the Flemish poet Cyriel Verschaeve, which were secretly brought back to Flanders. Then when, in this same Flanders, a antifascist play directed against the writer was running, the VMO caused a great disturbance at the performances. A fire even broke out. Bert Erickson seemed to take the credit for it, in order to swiftly retract it. And there was grumbling in the ranks of the "militants."

Bert Erickson has one claim: "to serve Flanders." He is found parading about in front of the journalists and organizing interviews, after the show, which was a failure but was backed up by gun shots, of a political, sports-related kidnaping, in Lokeren, of a soccer player and a soccer coach from the East, who were destined to serve as exchange currency for a young Fleming detained in Poland on sentimental grounds.

In short, according to those who watch him pull the strings, Bert Erickson, for lack of being in the know, wants to be in the news.

And this has reached such a point that his entourage of mercenaries does not cease snorting: He does it too much or too little; he was not born shrewd and he does not improve with age.

It is claimed, in the well-informed quarters of Anvers, that our more or less secret police is trifling with him. A type of poker. He is well-known, his intentions are hardly unrecognized. He is allowed to go unrestrained. And he is cornered. Moderately until now.

Plus, an account of the apparently disastrous expedition conducted last weekend in the Fouron is circulating. "Oh," the little leader probably

said, "the state police force doesn't want me to pass? I am going to go around them." Well, the police force anticipated the maneuver perfectly. They probably allowed it in order to react better afterwards.

Bert Erickson has considered himself a strategist since the day when, announcing a demonstration by his group in Limburg, he proceeded to eastern Flanders. There are some things which a state police force member does not forgive....

It is sometimes said that the traditional Flemish political world grants some consideration to the VMO and the leader of the troop only because it is professed to be a privileged ally of the VU and because it will force this party to go too far.... If this is not true, it is a happy thought. But that is undoubtedly another story.

9181

CSO: 3100

PREBEN MØLLER HANSEN EXPELLED; DKP ON VERGE OF SCHISM

Copenhagen BERLINGSKE TIDENDE in Danish 30 Oct 79 p 1

[Article by Mogens Auning]

[Text] A serious split was made in the Danish Communist Party [DKP] yesterday after the party, against the background of a central committee decision Sunday, expelled one of the DKP's best-known figures, Preben Møller Hansen, chairman of the Seamen's Union.

The expulsion took place at 1500 hours in the party's stronghold on the Dronningens Tværgade. Immediately afterwards Preben Møller Hansen went to the office of the Seamen's Union on Herluf Trollesgade. Shortly after that, the DKP office was notified that 12 district leaders and 4 office employees in the Maritime Division of the DKP had resigned from the communist party.

The Maritime Division numbers about 500 members. A statement from its leadership said in part, "We challenge others who really put the fight for the working class first to do the same, so that the politically sick power clique grouped around Poul Emmanuel (the leader of the DKP party organization--edit.) will be left standing alone. Only that will stop the swerve to the right in the DKP, which, if it is not stopped, will go further to the right than the Social Democratic Party."

New Party?

At a meeting of the Seamen's Union last evening, Preben Møller Hansen said that the leadership of the DKP had decided to destroy the Maritime Division. As a counterpart to it, those who were leaving the party set up a "Common Course Club" today.

Preben Møller Hansen was asked whether he was still a communist. He answered that he would continue to fight for the working class cause. He hoped he could return to the party, but before that happened "the group around Poul Emmanuel would have to be thrown the hell out!"

"Will you start a new party?"

"That is not a thing that one man can do by himself. Today we have already received a large number of communications from party members who support us -- I myself and those who have signed from the party. We will now stop and consider what we can do."

Willy Thomasen, Svend Dressler, Jørgen Tved, and Jacob Rasmussen of the Seamen's Union were with Preben Møller Hansen in thinking that the "moss-back leadership" on the Dronningens Tværgade must go.

Earlier in the day that leadership had announced that when it was decided to expel Preben Møller Hansen--"the seaman," as party chairman Jørgen Jensen called him--it was because Preben Møller Hansen had lost his credibility in the communists' eyes.

The Plank and the Letter

Jørgen Jensen said that the party considered that various ones of the actions that Møller Hansen had backed had lowered the party's esteem in the labor movement. "The plank affair" of Rømpø, in the view of the party leadership, was a contributing cause of the party's losing its representation in the Folketing. The disunity at the top level of the party which became apparent upon the publication of Preben Møller Hansen's "personal" letter to Jørgen Jensen had damaged the party's fighting morale with respect to the outside.

Things did not improve, in the opinion of the party chairman, when Møller Hansen in his election campaign--he was a candidate in Køge--conducted a personal campaign and in his campaigning used a number of the Maritime Division's paper DERUDA whose political line was opposed to that of the DKP.

"All of these things had led to the decision on expulsion, which was made by a united Central Committee," said Jørgen Jensen. Preben Møller Hansen has the possibility of appealing it to the party's control committee or to the DKP congress which is being held at Easter.

60 Copies of Letter

But Preben Møller Hansen considered that useless, he said last evening. The control committee consists entirely of members of the executive committee, who also sit on the Central Committee.

Møller Hansen swept aside Jørgen Jensen's accusations of infractions of party discipline. He was not the one who let the press see his "personal" letter to Jørgen Jensen. Sixty copies of it were sent out from the Seamen's Union. He had not conducted a personal election campaign, but, in contrast to what many other DKP candidates had done, had carefully followed the party direction to urge only putting the cross beside the K.

A handout from the Maritime Division had the following to say about the "personal" letter:

"We are 12 men of the Maritime Division's leadership who have affirmed in writing that we alone sent out the letter. With what justification can the DKP use that to expel Preben Møller Hansen?"

8815

CSO: 3106

MØLLER HANSEN CLAIMS LO CHIEF PRESSURED DKP TO ACT

Copenhagen INFORMATION in Danish 30 Oct 79 pp 1, 10

Text] Seamen's chairman sees his expulsion as an expression of the party's swerve to the right.

Preben Møller Hansen, chairman of the Seamen's Union, said last evening at a meeting with the press that his expulsion from the Danish Communist Party [DKP] is due to a demand by Thomas Nielsen, chairman of the LO [Danish Federation of Trade Unions].

"At the party leadership's meeting with the LO a month and a half ago, DKP chairman Jørgen Jensen and Freddy Madsen accepted a request by Thomas Nielsen that I should be thrown out of the DKP," said Preben Møller Hansen.

The seamen's chairman construed the DKP's increasing efforts to achieve a collaboration with the LO and the Social Democratic Party as the main reason for the party leadership's decision to expel him.

"What it amounts to for the DKP," said Preben Møller Hansen, "is that the DKP is gradually moving more and more to the right, so that it is hard for the population to see what the justification for the communist party is. We entered into a compromise in Aarhus. We entered into a compromise in Copenhagen. Compromises that involved approving the SV [Social Democratic-Liberal] government's tight budget and leaving the DKP with no platform on which to base its party politics. It is a move to the right, of course, and the result at the time of the election was that our comrades did not get the support that they had gotten before. A lot of places went Social Democratic, and that has nothing to do with unity of action in the labor movement." Møller Hansen went on to say that he is still a communist and will be on the side of the working class. "But I will not enter into any sick compromises with the Social Democratic Party," the seamen's chairman added.

Jørgen Tved Resigns From Party

The DKP's collaboration with the Social Democratic Party is also the background for the fact that Jørgen Tved, the former communist member of the

Copenhagen city council, decided yesterday to follow Preben Møller Hansen out of the party.

"The expulsion of Preben Møller Hansen is a manifestation of their fear of a debate about the party's policy," Jørgen Tved told INFORMATION. "Preben is to be made the scapegoat for the party's defeat in the election. That indicates that they do not want to discuss the political causes, which in my opinion have to do with the political compromise entered into at Copenhagen and Aarhus with the Social Democrats. The way they have tried to revamp the policy that was adopted at the party congress stinks to high heaven. One day they are demanding the fall of the SV government and the next day they enter into a compromise based on that government's policy. What is a lie one moment is the truth the next," says Jørgen Tved.

"Factional Activity"

At a press conference after Preben Møller Hansen's expulsion, Jørgen Jensen, the party chairman, said that it was the Seamen's Union chairman's "factional activity" in the party that was the main reason for the party leadership's decision.

"It is not that we are giving Preben the blame for our defeat in the election, but his conduct in a long series of matters, and most recently his election campaign in the Køge district, have contributed to raising doubts about the party's policy." In that connection Jørgen Jensen put special emphasis on the disagreements there have been about union policy.

The chairman of the DKP also said that for a long time the party had been too "trusting" about Preben Møller Hansen's utterances. Jørgen Jensen mentioned in this connection the facts surrounding the creation of a transport workers' union, the so-called "plank affair" during the Rønde-Sild conflict, the whole matter of the HK [Danish Union of Commercial and Clerical Employees] personnel in the Seamen's Union, and finally the publication of the "personal" letter to Jørgen Hansen with 31 complaints against the party leadership.

Foresees Reaction

"We must admit that the long conflict has been damaging. The DKP must stand out as a party whose policy cannot be cast into doubt," said Jørgen Jensen.

Preben Møller Hansen's expulsion is taking place a month after he was forced out of the party's central committee and its executive committee.

Preben Møller Hansen had been a member of the Danish Communist Party since 1956. He became a member of the party's central committee in 1967.

8815

CSO: 3106

OLD DIFFERENCES TAKE ON NEW FORCE DURING ELECTION CAMPAIGN

Copenhagen BERLINGSKE AFTEN in Danish 2 Nov 79 p 14

[Reportage by Andreas Dalgaard]

[Text] How far back does the disagreement between the Danish Communist Party and Preben Møller Hansen, chairman of the Seamen's union, who has recently been expelled from the party, go? Ten years, some say, but the last 10 days before the election were decisive.

The communist paper LAND OG FOLK uses the expression that the party "put up with" the way Preben Møller Hansen behaved for 10 years.

Why would they suddenly no longer "put up with it"? It was the last 10 days before the election that were decisive for the decision to expel the controversial seamen's chairman from the Danish Communist Party.

Through the years Preben Møller Hansen has participated in the debate about the communist party's line--and openly, too. If you criticize such a party on the outside, you run the risk of being accused like the seamen's chairman of "raising doubts about the party's line, its working basis, and its theoretical positions." Such a party cannot tolerate that, and will not tolerate it.

Something That Can Be Used

On 12 September the SOCIALISTISK DAGBLAD reported that leading communists in the Special Workers' Union in Denmark (SID) had gotten into an open dispute with Preben Møller Hansen. The paper said that there was a good deal to indicate that this had given the communist party the concrete case that could be cited to the members to legitimize the expulsion of Møller Hansen.

The reason was that Preben Møller Hansen had made a proposal to found a transport workers' union here in Denmark. His colleagues in the communist party--and union leaders in the SID--are against that, as they think that just the debate on the question would cause a split in the union movement to the advantage of the employers.

The newspaper AKTUELT wrote the same day that Preben Møller Hansen had received from his colleagues a silk cord as thick as a mooring cable.

First Warning

Ten days later it became known that the Central Committee of the Danish Communist Party was about to meet to expel Preben Møller Hansen.

The "seamen's boss" promptly stated in EKSTRA-BLADET, 25 September:

"I am always at my party's orders."

The same day, however, he left the party central committee together with Jørgen Tved, deputy chairman of the Seamen's Union and former member of the city council, but he remained in the party.

On 26 September Preben Møller Hansen published an open letter to Jørgen Jensen, chairman of the DKP, in which he criticized in detail the line the party had taken on the union front (the so-called "chairman's initiative" had faded out), on the organizational front (the party had not succeeded in holding on to Hanne Reintoft and other outstanding personalities), on the economic front (the travel agency "Folkturist" had gone bankrupt), and lastly on the party politics front, where personalities have been missed. Preben Møller Hansen predicted in his open letter that the DKP would lose its parliamentary representation.

Not a Real Thought

"That was not the fault of the party's 10,000 workers, who carry out an enormous amount of work for our movement every day, but solely to the fact that the hired leaders who are paid by the party and have their place of employment in Copenhagen, do not possess the necessary grasp of the political situation and are not capable of thinking a real thought," Preben Møller Hansen explained.

1 October it was emphasized that Preben Møller Hansen was still a member of the DKP, and that he was the party's candidate in Køge.

9 October EKSTRA-BLADET claimed to know that if Preben Møller Hansen was not elected to the Folketing he would be expelled from his party.

23 October, on election night after the communists' catastrophic showing, Preben Møller Hansen told BERLINGSKE TIDDEDE:

"...Not me that has hurt the party."

The communists had lost a great deal of ground in the Køge district.

29 October Preben Møller Hansen was called in to "talk" with the central committee of the Danish Communist Party.

30 October LAND OG FOLK laconically reported in a little two-column article on the front page:

"Møller Hansen Expelled From DKP."

MÜLLER HANSEN BEGAN WORK ON NEW POLITICAL BASE THREE MONTHS AGO

Copenhagen INFORMATION in Danish 30 Oct 79 pp 1, 10

[Text] The seamen call for mass resignations from the DKP and weigh the possibilities of founding a new party.

As long as 3 months ago Preben Møller Hansen, chairman of the Seamen's Union together with the leadership of the DKP's maritime division, was planning the founding of an organization that will be the communist seamen's political base, now that internal conflict in the Danish Communist Party has led to the seamen's chairman's being expelled from the party. At a press conference Monday, Preben Møller Hansen would not deny that this base, which is called the "Common Course Club," might develop into a new political party.

All communist seamen are automatically members of the new organization, which was formed in connection with FAELLESKURS, the organ of the maritime division of the communist party. Preben Møller Hansen explained Monday that the background of the formation of this club is that there are seamen who sail to America and may find that being organized in the DKP causes problems for them. These members, together with people from other union fields, have been organized into the Common Cause Club, which at a meeting on Thursday [2 November] will discuss the situation that has arisen since Preben Møller Hansen was expelled from the DKP.

Collective Resignation

Preben Møller Hansen got the word from the party leadership at a meeting at 1400 hours. On that occasion he was also informed that the party central committee had instructed the party leadership to disband the maritime division and transfer the members of that division to the party chapters that are to be found where they live.

By a few hours later the leadership of the Maritime Division of the DKP--12 persons--had decided to resign from the party, together with 4 employees of the Seamen's Union. Among those who resigned is Jacob Rasmussen, who had been a member of the DKP for 43 years. For many years he was a member of the party central committee and of the executive committee.

"I left the central committee in protest when the party intervened in the conflict with the HK [Danish Union of Commercial and Clerical Employees] (when the Seamen's Union replaced the HK personnel with seamen during a union conflict when the HK employees of the Seamen's Union struck). Today I am leaving the party in protest against the central committee's liquidating the oldest division in the party without letting the members know beforehand," said Jacob Rasmussen

New Party

Shortly after the decision to resign from the party, the leadership of the Maritime Division of the DKP made an appeal to former party comrades to resign from the party. Through this action it is desired to force the party back from the rightist course that it has adopted, it was said at a press conference in the maritime division.

When Preben Møller was asked whether he would form a new party he answered:

"Founding a new party is not a question of individual persons. But in that connection I can say that within 3 hours after publication of the expulsion we here in the Seamen's Union had received many telephone calls and telegrams from organized communists and others with expressions of sympathy. It is obvious that we must consider what possibilities are offered by the fact that so many party members are turning away from the mossback leadership on Dronningens Tværgade (the party leadership; edit.).

"I hope that all good forces can be united again in the DKP. But that requires that the group surrounding Poul Emmanuel be thrown the hell out."

The maritime division's 400 to 500 members are the backbone of the new organization that has been formed. In addition the seamen have a card file of 2,700 DKP members with whom they will get in touch. When a reporter from LAND OG FOLK asked where they got these addresses, nobody from the maritime division was willing to give an explanation. First it was said that there were 9,000 addresses, then 3,000, and then 2,700.

Somebody mumbled that they got the addresses from telephone books, but when it was brought out at the press conference that there is nothing in the telephone books about people's party status, an employee of the Seamen's Union said that most of the people had addressed themselves to the Seamen's Union at one time or another.

Preben Møller Hansen himself did not know where they got the addresses.

"The office personnel take care of such matters," he said.

The former members of the DKP were not very eager to say, either, whether they wanted to liquidate the communist party. One of the answers to that question ran:

"It is not a matter of liquidating, but of creating a party that stands up for communist ideals."

For the former members of the DKP in the Seamen's Union it was obviously a sort of tight-rope act, in which on the one hand they wanted to appeal to dissatisfied party members by pointing out various weaknesses in the party. On the other side, however, the criticism must not be so harsh that it opposes everything the party stands for, including the things for which Preben Møller Hansen is partially responsible. The dilemma was also brought out when they were asked to explain how mass resignations from the DKP would strengthen communist attitudes.

"We had a discussion of Preben Møller Hansen's opinions within the membership. From some urban districts he can expect backing. But it is limited, and there will be talk of individual persons who may perhaps follow him out of the party. If I am to evaluate it here and now, I expect that he will get backing in the party's maritime division. That is due in part to the fact that the party has had very little contact with that division," said Jørgen Jensen immediately after he had taken the message to Møller Hansen that he had been thrown out of the party.

8815

CSO: 3106

DKP FACING CHARGE OF 'REFORMISM'

Copenhagen INFORMATION in Danish 30 Oct 79 p 1

[Editorial by EMC: "Reformism"]

[Text] To change the population's spontaneous dissatisfaction with the present structure and development of society into a systematic fight for a new and better society is frightfully difficult.

That, however, is the task that the so-called "revolutionary left wing" has set itself, and the difficulties can be seen in the announcements of the last few days that the Communist Party of Denmark [DKP] is celebrating its election defeat with the expulsion of a colorful, popular, and effective union chairman such as Preben Møller Hansen, while the Leftist Socialist Party is holding a topical congress and electing a top leadership in which four factions with cryptic names share places, while a fifth faction, which includes Preben Wilhjelm, the completely dominating figure of the party in public, is not represented, and numbers only 10 adherents at the congress out of 176 delegates.

The impression is confusing. And that is not so good, for confusion and hopelessness are mentioned again and again in these parties' slogans as the chief reason that the revolutionary left wing has not managed to gain more access to the working class in recent years, when for many the crisis of capitalism had unmasked the weakness and inhumanity of the system.

If one seeks for a red thread in the diversity on the left wing, one comes upon a long series of discussions of concepts as "reformism," "new reformism," and "reform policy," and this is not very remarkable, either. The parties that consider themselves today as situated on the revolutionary left wing all arose from attempts to set themselves apart from the reformistic part of the labor movement. But both between the different parties and internally within the parties the discussion of where the boundary line lies is still going on.

There has been an attempt, and here these parties are more or less in agreement, to strengthen the fight against the income policy concretely at the plants, to support wage conflicts and labor actions that fight against

state-established agreements and the encroachments on the weapons of the labor movement, such e.g. as are exemplified in the blockade circular. But the capitalist crisis makes it hard to push these demands through. The local conflicts often end in defeat, and hopelessness and despondency spread. Both in the VS [Leftist Socialist Party] and in the DKP this has led to serious reflections on how a larger part of the population can be given faith that there is another way forward toward better conditions than to "bow down in the face of the bourgeois offensive."

The DKP has relied first and foremost on a direct collaboration with "anti-monopolistic" forces in society. This has meant that the DKP in particular has gone a long way to achieve the two important municipal compromises in Aarhus and Copenhagen. This was to show the despondent working class that it is actually possible to get the Social Democratic Party to work together with others than the bourgeois parties. In the trade union movement efforts have been made to prevent the fight against income policy and wage improvements from becoming a threat to the "unified trade union movement," and to make it instead a reinforcement of the "action groups" among, first and foremost, social democratic and communist members of the trade unions.

These efforts have naturally led to disunity in the party. They have been viewed as "reformism," which throws away the revolutionary perspective and ends in a complete blurring of the party's profile, so that it becomes impossible to distinguish from the Social Democratic Party. The disunity has culminated for the time being in the expulsion of Preben Møller Hansen.

In the VS there has been corresponding discussion of the relation to the Social Democratic Party and its reform proposal and the party's rôle in the trade union movement. Preben Wilhjelm, with varying support from his party leadership, has presented reform proposals in the Folketing to ensure more housing construction, urban renewal, alternative sources of energy, measures against tax chiselers, etc.

When these proposals were presented it was emphasized that neither Preben Wilhjelm nor his party believed that they could be put through. Not because they are in serious conflict with points of the Social Democratic program, but because the Social Democratic Party does not "wish to be freed for collaboration on the right." But in his speeches as chairman in the Folketing Wilhjelm added--on his own account, of course--a sort of hope that the leadership of the Social Democratic Party could be pushed by the membership to a different position.

But Preben Wilhjelm is leaving the Folketing at the next election, and the faction of the party to which he belongs is without influence. The other factions have therefore been alone in the internal party discussions in discussing the reform proposals. The discussion has revolved around whether it can be reasonable to deceive the working class by presenting fine reform proposals that one knows cannot be carried through. At the same time there has been discussion of organizing a "union opposition" within the union movement.

The conflicts within the VS more or less follow the pattern that the factions "Faglig Fællesliste" (Union Joint List) and "6-Banden" (Gang of 6), which until the congress last Sunday had a clear majority on the executive committee, reject the "reform policy" as illusionary and go in for organizing a union avant-garde which can lead and organize the "class struggle," while the factions "Gruppe 79" ('79 Group) and "Slaskerne" (Independents), which won a bare majority Sunday, are hardly as skeptical about Wilhelm's reform proposals, but on the other hand are skeptical about a "union opposition," which they consider to be an attempt to "take a shortcut to union leadership."

While these conflicts are finding striking expression in the VS and the DKP right now, they apparently do not characterize the Socialist People's Party today. This does not mean at all, however, that they will not reach that party. While the VS and the DKP, each in its own way, have been to some extent brought outside of parliamentary influence, the SF [Socialist People's Party] has been put in a key position as a result of the election. In the coming weeks the SF will be pressed with questions about its relation to the Social Democratic Party, reform policy, and the trade union movement. Then we shall find out whether the SF's showdown with the Larsenists a few years ago really cleared the air within the party or whether future possibilities of compromise will make new lines of fracture in the SF as well.

8815

CSO: 3106

GERMAN-SPEAKING MINORITY WANTS PERMANENT PLACE IN PARLIAMENT

Copenhagen BERLINGSKE TIDENDE in Danish 1 Nov 79 p 10

[Text] The German minority in Denmark wants automatic representation in the Danish parliament. The minority's organization, the North Slesvig-Slesvig League Party, has appointed a contact committee to appeal to the government and to Folketing to solve the problem of representation.

The desire for representation was presented a short time ago at a delegate meeting of the German North Slesvig League which stressed that "parliamentary representation is an undeniable right for every minority and must not be restricted by percentage requirements or in other ways."

But it is doubtful whether the desire of the German-speaking minority can lead to anything. It is not clear whether automatic representation of the minority would require a constitutional amendment or whether it could be done through a change in the election laws. The regulations giving two mandates to Greenland and two to the Faeroe Islands are written into the constitution. But the provision for two mandates for Bornholm is part of the election laws.

Today the German minority party has the advantage of always having the right to take part in a parliamentary election. It does not have to gather enough signatures to be able to run, as other parties outside of Folketing must do prior to each election.

At the recent meeting of delegates it was deplored that the campaign cooperation between the Slesvig Party and the Democratic Center (CD) had been broken off during this election. CD and the Slesvig Party worked together in the campaigns of 1973-75 and 1977 and succeeded in electing Jes Schmidt. But he died during the summer and the Slesvig Party's new parliamentary candidates, Peter Wilhelmsen, was unacceptable to CD leaders because in 1940, as a 17-year-old, he had joined the Waffen-SS. That is why the cooperation was broken off.

6578

CSO: 3106

EXCLUSION FROM PARLIAMENT WILL COST DANISH CP FINANCIAL SUPPORT

Copenhagen BERLINGSKE TIDENDE in Danish 2 Nov 79 p 6

[Text] Changes in the number of mandates a party has in parliament will also have economic consequences. Support to party groups depends on the size of the group.

This means that the Danish CP, which lost all seven of its seats, must say goodbye to 355,000 kroner.

The money is not paid out directly to the parties however but is given to pay for the work of the parliamentary groups. Each year money is earmarked in the Budget for this work and the amount for this year is 7.8 million kroner, while 8.5 million has been budgeted for next year.

Only parties that are represented in Folketing receive support. The annual support per member of Folketing is 34,300 kroner. In addition there is a grant of 220,000 kroner to parties with more than nine members. Groups with fewer members receive 115,000 kroner a year.

This means that the Social Democrats, with 68 seats, will receive 2.5 million kroner. The Progressive Party will lose about 200,000 kroner due to its loss of six seats and will now receive 900,000 kroner.

The Conservative and Liberal groups receive almost 1 million kroner each, the Socialist People's Party group receives 600,000 kroner, the Radical Liberals 550,000 kroner, the Left-wing Socialists and Democratic Center 330,000 kroner each while the two smallest parties, the Christian People's Party and the Single-tax Party, will receive 280,000 kroner apiece.

The money given to the groups pays for secretaries and expert assistance. But this form of support has been criticized several times, especially by the smaller parties. Among other things the Democratic Center Party has proposed paying for academic assistance, a proposal made in 1978. But the proposal was rejected, sent to committee and has not yet been reintroduced.

By the way the parties which will lose funds have 3 more months in which to receive the higher subsidy while the parties that made gains will receive the higher payments immediately.

JORGENSEN TO PRESIDE OVER VARIED ECONOMIC TEAM

Copenhagen BERLINGSKE TIDENDE in Danish 6 Nov 79 Section II p 1

[Commentary by Lisbeth Knudsen]

[Text] A new economic quartet has been assembled under Prime Minister Anker Jorgensen. The members of this quartet (with some assistance from two outside players from time to time) will be the prime minister's closest political advisers in the weeks ahead. The various players in the quartet have highly individual styles and they will leave their conductor, Anker Jorgensen, to make many important decisions on his own.

After forming the Social Democratic minority government the prime minister gathered three economic ministers and one group chairman with vast economic experience around him. They are Finance Minister Svend Jakobsen, Economic and Environmental Affairs Minister Ivar Norgaard, Tax and Duty Minister Karl Hjortnaes and group chairman Knud Heinesen. Two ministers supplemented the group of advisers in connection with the emergency measures today and will continue to do so in the upcoming negotiations with organizations. They are Labor Minister Svend Auken and Industrial Affairs Minister Erling Jensen. The group will also be supplemented at times by ministers whose proposals need to be included in the planning.

Group Chairman

The four around Anker Jorgensen will be advisers only to a greater extent than was the case with former prime ministers. Anker Jorgensen does not have any close confidants but if the group is narrowed to top advisers instead of just advisers the arrow would point in the direction of Finance Minister Svend Jakobsen and group chairman Knud Heinesen.

Anker Jorgensen's little advisory group has been busy in the days following the government formation and if there is anything they have in common it is experience from similar hectic days in the past and difficult political situations. Even though Social Democratic group chairman Knud Heinesen

left his post as minister of finance he is still in his new position perhaps the strongest individual adviser to Anker Jorgensen just as he advises his successor as finance minister, the man he picked out himself-- Svend Jakobsen. In the past when the Social Democratic Party had ruling power the group chairman had a very strong position in the party. This was true until Jens Risgaard Knudsen was replaced in that post by the new agricultural and fisheries minister, Poul Dalsager last September. He never managed to regain the same kind of position with the prime minister. Knud Heinesen has re-established the strong position and the negotiations in the weeks ahead should show whether he will also do so in his work in Folketing. According to his acquaintances the new group chairman likes his new role and he still has the same influence he had before.

Finance Minister

Anker Jorgensen's closest contact within the government is Finance Minister Svend Jakobsen. Anker Jorgensen and Svend Jakobsen are on the same wave length in their personal attitudes on a number of things, in their personal anger and irritation over a number of inequities and injustices in current legislation and they agree that economic policy should be simplified so that ordinary people have a chance to understand it. Svend Jakobsen is extremely loyal to his chief. He is very industrious. And stubborn. He has occupied four different ministerial positions, last time making the amazing jump from minister of fisheries to finance minister. He has been housing minister, taxation minister and for a short time minister of environmental affairs. He is ambitious and at the same time he is modest, a quality that has long concealed his influence in high government circles

Economy Minister

Ivar Norgaard, minister of the economy and environmental affairs, is also one of those who have tried a little bit of everything with respect to ministries and top-level negotiations. In the SV [Social Democratic/Liberal] government the prime minister placed him as environmental affairs minister, a very key position in the "inner cabinet" of that government-- some said this was because it was better to have him inside than outside-- and he was often the cause of great dissatisfaction among his government partners because of his often idiosyncratic and sudden inspirations with regard to political ideas. He still has these sudden inspirations but now he is in an even stronger position as economy minister and leader of the internal government negotiations when the prime minister is absent. Many predicted that Ivar Norgaard would go down the political ladder in connection with the formation of the SV government--now things are going the other way for a while.

Tax Minister

The minister of taxation, Karl Hjortnaes, is the last member of the economic quartet. He is new to this internal cooperation body and he has only 13 weeks of ministerial experience behind him. His widely discussed tax case may also cut short this new opportunity to gain ministerial experience. But he has been very involved in the discussions of the long-range solution to be presented at the beginning of December when Karl Hjortnaes will receive his political baptism by fire with the presentation of a tax reform covering several areas.

The members of Anker Jorgensen's "four-man orchestra" play quite differently with regard to political evaluations and temperament and they are scarcely in harmony when it comes to evaluating the gravity of the economic crisis and which parties in Folketing would make suitable partners for the Social Democrats in a long-range agreement. The four will present their advice but Anker Jorgensen will have to decide whose advice to follow.

6578

CSO: 3106

GOVERNMENT REPORT HIGHLY PESSIMISTIC ON ECONOMIC OUTLOOK

Copenhagen BERLINGSKE TIDENDE in Danish 4 Oct 79 pp 1, 16

[Article by Lisbeth Knudsen]

[Text] The last formal announcement to Folketing by the SV [Social Democratic/Liberal] coalition government was the delivery of a shock report on economic developments up to 1983 unless drastic changes are made in economic policy. There are prospects of a tripling of the national deficit, 260,000 people out of work and more than twice the need to borrow money abroad--assuming that private borrowing can still cover half the deficit in the balance of payments in the years ahead. This means a continuation of high Danish interest levels and will probably lower the country's credit opportunities within a short time.

The figures from the government economists were published in a financial report that accompanied the second presentation of the SV budget bill. When the budget bill was presented for the first time on 15 August the economic calculations underlying it had already been outstripped by developments. The new financial report includes the latest oil price hikes and the effects of the government intervention in June. The report then predicts developments until 1983. The report stresses that the figures shown would be unacceptable to any government. It also stresses that sweeping economic steps will be needed to solve the problems and that even the most effective solutions will not bring the Danish economy back on its feet within a few years.

If the economic development is allowed to continue unchecked the government economists estimate that in both 1979 and 1980 the balance of payments deficit will be 13 billion kroner but from 1980 to 1983 the deficit will mount to 20 billion kroner. However the economists, led by Economy Minister Anders Andersen, already feel that the figure of 13 billion is much too low. The figure is more likely to near the 14 billion kroner predicted by the leaders of the Economic Council. The government economists estimate that average unemployment in 1979 will be 179,000, in 1980 it will

be 205,000 and in 1983 it will be 260,000. In the years ahead they predict a sharp rise in foreign debt with new loans needed not only to cover the running deficit and interest but also to pay off old debts. The need to borrow abroad will rise from 17 billion kroner annually in 1979 to almost 31 billion in 1983. Interest costs alone, which will be 7 billion kroner in 1979, will increase to 12 billion in 1983.

Rising energy prices are the major cause of the poor Danish economic development but private consumption developments must also share in the responsibility. A decline in consumption of 2-2.5 percent is predicted for 1980 but after that it is expected to rise 3 percent a year.

According to the government economists the result of cost increases in Denmark will be some difficult years for Danish industry and Denmark will lose part of its market in comparison with other countries unless something is done.

The deficit in the state's operating, investment and lending budget according to the economic experts will be 12.5 billion kroner this year, rising to 27.5 billion kroner in 1983 if no steps are taken. The biggest expense increase will involve unemployment payments which will rise to almost 21 billion kroner in 1983, an increase of 65 percent from 1980 to 1983. Other sharp increases by 1983 will be in the area of social pensions, rising 40 percent, and payments to restricted-spending sectors, rising 21 percent.

Intervention Needed

"The report underlines the necessity of presenting an economic policy that can decisively turn the tide of Danish economic developments. A development similar to those indicated in the examples from the Finance Ministry would be devastating for Denmark's political and social stability," said Economy Minister Anders Andersen (Liberal) in a comment on the financial report.

Finance Minister Knud Heinesen said in the report: "Thus the current course of developments would lead to a socioeconomic development and a national fiscal development we cannot accept. Therefore we must take political economic initiatives aimed at affecting these developments. Then the present course would not be realized. But it serves as a useful--and necessary--background for evaluating demands on economic policy in the years ahead."

Conservative group chairman Poul Schluter said in a commentary: "The old government is ending things with a very unpleasant testament. Everyone must realize that a fundamental change of course is needed to get the country out of its troubles. No one can believe that the Social Democrats with their strong ties to LO [Danish Federation of Trade Unions] can handle this task. A budget proposal will have to be presented to the new parliament in a few days, showing that the new government is capable of reducing the totally unacceptable deficit in national finances."

DOWNWARD ADJUSTMENT OF LIVING STANDARDS SEEN AS INEVITABLE

Copenhagen BERLINGSKE TIDENDE in Danish 6 Oct 79 p 8

[Commentary by Frank Dahlgaard]

[Text] Measured on an international scale Denmark has no significant economic problems.

This is a fact that is worth pointing out after last week's public debate. Two new "shock reports" on the Danish economy have resulted in commentaries that must lead the people to believe that Denmark will soon go bankrupt.

The truth is that what we at home call "a very serious economic crisis" would represent heavenly conditions for the majority of the people of the world. When people talk of an "economic crisis" out in the big world it often means crop failure, starvation and illness.

The "crisis" confronting us in Denmark simply means that private consumption will decline a couple of percentage points and that economic growth will stagnate. But even if consumption and production decline a little next year in this country Denmark will still be one of the richest nations in the world.

Unreached Goal

Thus the people of Denmark shouldn't feel sorry for themselves because of the economic "crisis." Even so the two latest shock reports from the "economic experts" and the Budget Department respectively make depressing reading precisely because we are one of the most prosperous nations in the world.

The economic experts predict a sharply increasing deficit in the Danish balance of payments abroad. With no intervention the deficit will grow from 14 billion kroner this year to 27 billion in 1983. As the graph

shows the original goal of the SV [Social Democratic/Liberal] government to reduce the exchange deficit is totally unreachable. This year alone the deficit will be twice the desired level.

Of course the sharp rise in Denmark's deficit is largely due to the oil crisis but all imports have to be paid for sometime and the high oil prices can only justify a growing exchange deficit during a short transition period.

Still Smiling

That Denmark has a deficit in the balance of payments means that we use more money for consumption and investment than we ourselves earn through our own production. Naturally other lands cannot look at this situation sympathetically when the fact is that we are one of the richest societies in the world. For this reason it could be hard for Denmark within a few years to get the loans that make the deficit possible. If there is a tightening of international liquidity our credit rating could deteriorate quickly. But foreign creditors are still smiling broadly and patiently at us....

What is depressing about reading the two shock reports is that both make it clear that the exchange deficit and unemployment are both rising. It would be a sensible economic policy to attempt to get the unemployed to produce the excess production that could cover the deficit. In a way this would solve one problem at the same time the other was being solved.

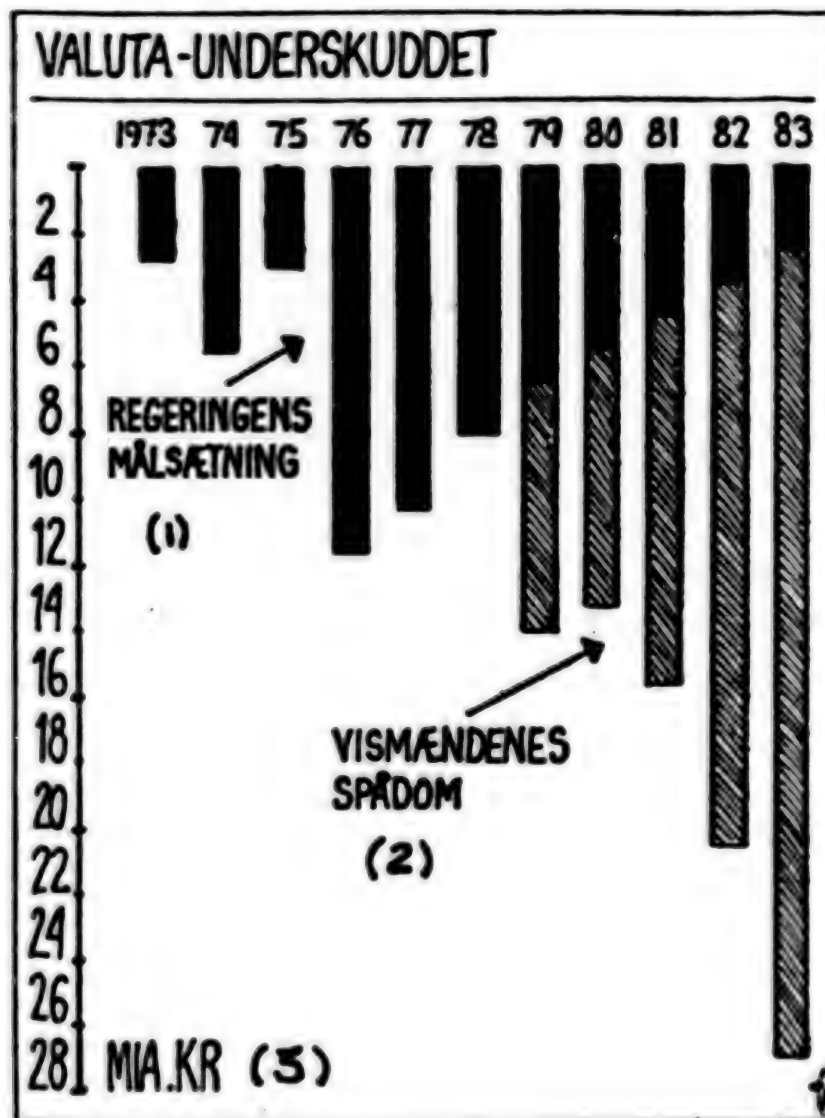
Four Percent

That is the solution the chief expert was referring to when he told BERLINGSKE TIDENDE yesterday that we should "cut our coats to fit our purses" and not the other way around. This policy cannot be carried out unless Danish competitiveness improves markedly. Back in the spring the Budget Department presented figures showing that an income freeze lasting several years would increase employment substantially and at the same time reduce the payments deficit significantly. The economists also said what such an income freeze would mean in the way of a direct consumption decline for the typical wage earner, only 4 percent.

Thus a small downward adjustment of about 4 percent in Danish living standards could restore full employment and erase the payments deficit.

Even if we now draw back from improving competitiveness we will not avoid some decline in living standards. In that case the politicians will be forced to introduce new duty increases, tax increases and more cutbacks.

This would help with the payments balance alone but it would increase unemployment. During the last 3 years this is the negative cutback policy we were forced to adopt due to the failure of the income policy.



Exchange Deficit

The goal the SV government set a year ago for reducing the exchange deficit is unattainable. The economic experts now predict a rapid rise in the exchange deficit. Source: Report by the government economic advisers, October 1979.

Key:

- | | |
|------------------------|--------------------------|
| 1. Government's goal | 3. In billions of kroner |
| 2. Experts' prediction | |

Both the new financial report and the report from the economic experts make it clear that under any circumstances Denmark will go into the 1980's in a condition that on a Danish prosperity yardstick must be described as an "extremely grave crisis."

Unemployment will grow by around 40,000 people from 1979 to 1980, for a total of around 200,000 people out of work. This will happen despite the fact that 10,000 more people are expected to be on severance pay and 26,000 more are expected to enter public employment.

Private consumption will decline between 1 1/2 and 2 1/2 percent and housing construction and business investments will go down. The experts predict that 47,000 fewer people will be employed in the private sector by next year and production here is expected to decline also.

From 1979 to 1980 living costs will rise over 10 percent and foreign debt will grow by 13-14 billion kroner.

The "signs of crisis" are already visible today: the stock market is falling, interest rates have reached a record high, property prices have stagnated and the social housing companies no longer have any trouble renting out their housing units.

Twenty years of irresponsible economic policy have at last caught up with us. We can no longer avoid a minor decline in our prosperity level. The question now is simply whether this decline will benefit all of us a little bit later or whether the blind policy of spending cuts that we have pursued in the past will be continued.

6578

CSO: 3106

LO STIPULATES CONDITIONS FOR ECONOMIC COOPERATION

Copenhagen INFORMATION in Danish 9 Oct 79 p 1

[Text] The LO [Danish Federation of Trade Unions] leadership has stressed that only workers' union representatives should administer the money in the Wage Earners' Cost-of-living Fund.

LO has given six clear and concrete economic policy conditions for its participation in a long-range crisis solution.

In his report on the first day of the congress LO chairman Thomas Nielsen spoke of a 4-year economic framework agreement to be reached by the legislative authorities, the workers and the employers.

The first condition is implementation of the Social Democratic and LO proposal for mandatory distribution of surplus. The LO chairman stressed that the proposal is just a start on the way to an OD [Economic Democracy] system as proposed in parliament in 1973. Among other things they have dropped the obligatory re-investment of stock capital and are sticking to claiming part of the surplus while the 1973 proposal was based on payment of amounts in proportion to wage totals. Thomas Nielsen stressed in his report that the surplus distribution proposal would be combined with more legislated worker influence over employing firms. In this context he maintained that the regulations governing the secrecy obligation imposed on company directors should be eased.

The second condition is a demand for more equality in the tax system. LO will use the tax reform bill introduced by the Social Democratic government last May as a starting point. To begin with the LO chairman suggested a restriction on interest deductions and the introduction of taxes on the increased value of land and real property.

Employment

The third condition is that 4.5 billion kroner be earmarked for providing work for 50,000 unemployed people. Some elements in such a plan are city renewal legislation, a stronger emphasis on energy savings and a ban on overtime work.

The fourth condition is a more active investment and business policy in order to expand the industrial sector by 10 or 15 percent.

The fifth condition is a better energy policy that could reduce society's dependence on oil. In that connection Thomas Nielsen mentioned that LO was not ignoring the possibility of the introduction of nuclear power if safety and storage problems can be solved.

The last condition mentioned in Thomas Nielsen's report is a training policy proposal. LO wants guaranteed training and employment for young people and paid time off to attend training courses for all wage earners.

Cost-of-living Increments

The same demands are mentioned in the executive committee's suggested congressional statement. In addition it stresses that the money in the Wage Earners' Cost-of-living Fund (the frozen cost-of-living increments) should be used for pension purposes and that only union representatives of the workers should administer these funds.

One of the few speakers managing to get the floor Monday was the chairman of the Danish Metalworkers' Union, Georg Poulsen, who said that the Liberal Party had not understood the outstretched hands of the union movement but had chosen instead to follow a liberalistic train of thought.

"The non-socialists should be put in their place against the background of their rejection of those outstretched hands," said the Metalworkers chairman who expressed the wish that the relations of the union movement with political friends in the upcoming period between congresses could be expanded in relation to "former conditions."

6578

CSO: 3106

LO SEEKING LARGER ROLE IN POLICY MAKING

Copenhagen BERLINGSKE TIDENDE in Danish 10 Oct 79 p 2

[Editorial]

[Text] The LO [Danish Federation of Trade Unions] congress will apparently mark the beginning of a new era. To judge from Thomas Nielsen's long speech the congress will support the union movement's selection of a role that is broader than the one it has played in society in the past. LO will continue to be the workers' organization when it comes to contracts and labor market policy but in the future the organization will also act as an instrument of social reform. If the congress supports this line--and there is no reason why it shouldn't follow the lead of its chairman--the character of LO will change substantially in the years ahead.

Thomas Nielsen's reason for this proclamation can be found in political developments and his efforts are presumably strengthened by his experiences during the Social Democratic government coalition with the Liberals. Folketing cannot solve the big problems confronting it. The chaotic political conditions in the last 6 years have made the world crisis twice as hard for Denmark. Therefore Thomas Nielsen wants the union movement to guide developments. The goal in his words is to carry out the "necessary structural reforms in private business and in distribution policy." What this means is that the plans for Economic Democracy should be carried out. In the first round they will restrict themselves to the proposals the Social Democrats agree on but that is just a beginning. This also means demands for tax reform, an active employment plan and a controlled investment plan.

It is on the basis of these demands that Thomas Nielsen has declared his willingness to enter into a framework agreement with the authorities. Such an agreement would be the start of a reform policy that would change society. It must be clear to everyone that Thomas Nielsen wants the union movement to play an even larger role in the years ahead. He has no confidence that Folketing can do what he feels is right and his experience tells him that he cannot count on the ability of the Social Democrats to

enact this policy alone. But he imagines that the union movement has this kind of strength in our society. That is why his speech to the congress did not deal with contracts or wage and work conditions. It dealt with policy. It dealt with how society should be shaped according to LO's political will. The Social Democratic Party which had to be content with subdued benevolence in the speech will become less important while the union movement will become more important.

It is fortunate that Thomas Nielsen made his speech to the congress in the middle of the election campaign. When they cast their votes the voters will remember that the leaders of the union movement have chosen to become the strongest political will in society. It will be used to put pressure on Folketing.

6578

CSO: 3106

DANISH SHIPBUILDING INDUSTRY OUTLOOK APPEARS BRIGHTER

Copenhagen BERLINGSKE TIDENDE in Danish 24 Oct 79 p 17

[Text] The Danish shipbuilding industry is not doing as badly as people have been trying to imply and all in all as of 1 October 1979 the shipyards had the biggest order backlog they have had in the last 2 years if the backlog is measured in compensated gross tonnage. This is a concept that shows how much labor is used in connection with filling the order.

A survey from the Shipyard Association issued yesterday shows that in the first three quarters of this year contracts have been signed for construction of 30 ships in all totaling 174,000 gross tons.

Thus the order backlog at Danish shipyards as of 1 October added up to 452,000 gross tons for a total value of 4.9 billion kroner compared with an order backlog of 4.5 billion kroner at the end of 1978.

However the Shipyard Association's survey shows large variations in the orders to different shipyards. The Lindo Shipyard on Fyn, owned by A. P. Moller, topped the list with the order book filled until mid-1982 while other shipyards expect to deliver the last ship on order during next year. The main shipyards lacking orders are Burmeister & Wain plus shipyards in Svendborg, Helsingor and the Dannebrog shipyard in Arhus.

With widespread protection of domestic production in countries that have their own shipbuilding industry, Danish shipyards have to look for their orders primarily at home.

The survey also shows that only 12 percent of the orders received in the first three quarters of this year came from abroad while in the years 1970-75 Danish shipyards exported about 50 percent of their ships.

And for the time being Danish shipyards will have to continue to look for orders primarily from the Danish state or from Danish shipping lines, in the view of the Shipyard Association.

Employment within the association's membership for the first 9 months of this year declined by 1150 workers. That corresponds to a decline of 8 percent since the beginning of the year. In a broader perspective, however, the decline is even more serious, since the employee group since mid-1975 has declined by 7000, corresponding to 36 percent.

The main reduction took place in the sector of new construction which accounted for 6500 of the total reduction since 1975.

Although employment declined in 1979 for the entire industry, several shipyards need qualified workers according to the Shipyard Association.

6578

CSO: 3106

SCHMIDT WARNS PARTY OF DANGERS OF INTERNAL RIFT

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 19 Nov 79 pp 1,2

[Text Federal Chancellor Schmidt, deputy SPD chairman, obviously does not consider adequate the "internal security" of his party with a view to the targets in the 1980 Bundestag election campaign. Addressing the inaugural congress of the SPD Lower Saxon Land Federation in Hannover last weekend, the Chancellor was not content merely to admonish the members to preserve unity. The Chancellor also urgently warned of the danger that the SPD might paralyze itself by party congress resolutions--for example at the forthcoming Berlin Federal Party Congress. Schmidt said that, in conjunction with the internal party dissent about energy, this might result in the realization of the dearest wish of Union chancellor candidate Strauss: The paralysis of the Federal Government.

In Hannover Schmidt appeared confident of victory. Polls had confirmed that Bundestag elections, if held now, would result in a clear majority for the Bonn coalition. He claimed to be quite certain that the SPD's alliance with the FDP--normally well regarded in the Federal Republic--could continue after the 1980 election. Schmidt especially detected a reason for optimism regarding the SPD and himself when he considered the situation of the political opponent. The nomination of the CSU chairman as chancellor candidate was the logical expression of a trend "to the right" in both Union parties. As to Strauss, Schmidt said that he had to be taken seriously, but his popularity was on the wane--a trend explicable by his "false start" in the election campaign and his demeanor. Strauss who, so far, had injured rather than helped himself and the Union parties, was now faltering. He, Schmidt, assumed that Strauss would turn even more hesitant and that, as a consequence the Union candidate might possibly say "sometime between Easter and Whitsuntide": "The Northern Lights have not helped me." "And then," Schmidt thinks, "we will witness a return to Kohl or Albrecht."

Party Congresses Discuss Nuclear Energy

According to Hessen Minister President and SPD Land chairman Boerner the "Greens" will be out of contention at the Bundestag election next year. They

will fail the 5-percent hurdle and entry to the Bonn parliament. Any vote for the "Greens" is liable to help CDU/CSU chancellor candidate Strauss become the head of government, Boerner said at a Land congress of the Hessen SPD in Marburg, where he was reelected with an overwhelming majority. The Green Party was therefore becoming the political enemy of the SPD. "It would not help at all if we were to follow behind the young people who are drifting away," said the SPD leader who also reaffirmed his commitment to the use of nuclear energy. Still, the party congress majority called on the Hessen Land Government not "with undue speed" to approve the Biblis C nuclear power plant, application for which had been made by the Rheinisch-Westfaelische Elektrizitaetswerke (RWE).

Interviewed by the "Deutschlandfunk" the SPD chairman said that he assumed definite majorities at the early December Berlin party congress for the executive motions on the two most important topics--nuclear power and arms policy. The SPD chairman justified the necessity of nuclear power for energy supplies by the expectation of the developing countries growing oil needs due to the fact that these countries did not enjoy the prerequisites for alternative energy sources.

In the debate on the use of nuclear energy at the Rhineland-Palatinate Land party congress in Lahnstedt CDU chairman Kohl accused the Federal Government of "jeopardizing the future of our country by its hesitant and divided attitude." Even if the forthcoming Berlin SPD Congress were more or less to agree on nuclear energy, everybody in the SPD would interpret the ensuing resolution in accordance with his own preferences, said Kohl, who charged that the Bonn coalition was unable to meet the challenges of the 1980's.

At a Schleswig-Holstein CDU Congress in Kiel Bundestag president Stuecklen (CSU) and Schleswig-Holstein Minister President Stoltenberg (CDU) accused the government of political failure in matters energy supply. According to Stuecklen the SPD and the Chancellor had neither the courage nor the resolution to tackle this problem. Stoltenberg, also reelected by an overwhelming majority, spoke of the "frightening extent of weakness among the government leaders."

On the issue of making our future safe chancellor candidate Strauss said at a CSU Congress in Munich that only the Union parties were able to give an assurance to the public, and especially the young, that they could cope with the problems of the 1980's. "The Socialists would most certainly fail if they were to remain the rulers." Regarding educational policy an end would have to be put to the "culture revolutionary turmoil," for social policy the time had come to "do away with the welfare state lie," that is the representation of social security independent of economic development. At the same congress CSU general secretary Stoiber said that the "socialist-liberal coalition" in Bonn was gradually vitiating fundamental values and striving for collectivist solutions.

WEHNER WARNS SPD TO AVOID RETURN TO INTERNAL IDEOLOGY FIGHT

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 7 Nov 79 p 4

[Article by hls: "Against Return to 'Ideology Party'"]

[Text] Bonn, 6 November--Wehner, chairman of the SPD fraction and one of the pioneers of the SPD Godesberg Program--now 20 years old--warned his party of too much emphasis on programs and of reverting to being an "ideology party." On Tuesday, in answer to a question on the television program "Panorama" as to what would happen to the SPD if instead of deciding in favor of the Godesberg decision to be a people's party. It reverted to being an ideology party, Wehner stated: "It would be interesting to see what would happen to the SPD. But it would be more interesting to see what would happen to the republic." If this were the case, Wehner envisioned a danger that movements like those during the Weimar period would again find more support. The SPD fraction chairman perceives a "trend of the time when ideology is again written in capital letters. I can understand it very well, although I cannot support it personally and never will. I have had enough of ideology, considering all my experiences and my own life."

In answer to the question of whether the SPD needed a change in the Godesberg Program, he replied: "They will have to use a great deal of persuasion before I agree to be a spokesman for a reform of a program of this kind." There seems to be a "passion," and an "eagerness to" put together a program resembling a catalog.

According to Wehner, the gist of the Godesberg Program is that for the first time the Social Democratic Party issued statements concerning its relationship to democracy, something that had not been a part of any previous program. Democracy is no longer a means to influence the structure of government, "for us, democracy today is of value by itself." This implies "the strongest renunciation of any totalitarian system," the democratization of the social life and the economy. Instead of a new program--he was shrugging his shoulders ("with due respect, catalogs are all right for buyers and sellers, for people who are looking for catchwords")--Wehner is suggesting that the SPD should have an organization "that is not directed in a technocratic

manner." What distinguished the SPD for a long time: "Confidence among elected officials and of full-time officials in part-time officials" must be "restored and revived." This statement by Wehner expresses his concern, because in his opinion the Union parties have caught up with respect to organization and it demonstrates his dissatisfaction with the present party management in the Ollenhauer-Haus.

8991

CSO: 3103

FDP GENERAL-SECRETARY DISCUSSES CAMPAIGN GOALS, TACTICS

Born DEUTSCHE ZEITUNG in German 9 Nov 79 p 3

[Interview with FDP General-Secretary Guenter Verheugen by Guenter Muechler]

[Text] The SPD is drifting to the left, the Strauss Union does not rate discussion. In a DEUTSCHE ZEITUNG interview FDP General-Secretary Guenter Verheugen explains what is important for the FDP: Its own independence and Helmut Schmidt.

[Question] You recommend that your party approach the 1980 election campaign "with pugnacious resolution and without fear." Does the FDP need a psychologist?

[Answer] Certainly not, but it does need a clear line for an exceptionally difficult election year, and the leadership bodies of the party have decided on just such a clear line. I believe that this has given us a lead vis-a-vis the other parties because they are still arguing who is actually to head their election campaigns.

[Question] Your self-confidence is rather surprising given the fact that the Free Democrats have by no means done well in recent elections, even before the battle of the giants--Schmidt-Strauss--had been joined in earnest.

[Answer] Let us look at the 1979 election results: We note 6 percent at the European elections, when the vote was extremely low; 6.5 percent at the local elections in North Rhine-Westphalia, where the vote was also very low, and 10.8 percent in Bremen where the vote was reasonably normal. Bremen in fact registered 2½ points above the European election results. If we do as well in the Bundestag election, the result will be better than in 1976.

[Question] You mean to say you have no problems?

[Answer] Of course we have. We have problems arising for one from the particular personal configuration, and then we have the Greens.

[Question] The Greens seem to be succeeding in penetrating youthful voting strata, that is exactly those strata which in the past offered a good deal of support for the FDP.

[Answer] We noted as early as 1976 that a majority of young and first-time voters tended to be alienated from all parties. This year many of them joined the Greens. We must realize that the Greens are not an environmental party. To assume that they are would be a serious mistake. Their attraction for young people consists precisely in the fact that they do not offer strictly rational arguments but meaning, and that is something the parties apparently neglected to do in recent years. Incidentally, I am definitely of the opinion that the coalition parties will have an opportunity to repair this omission by returning to their wellsprings. After all, the coalition was not inspired by the wish merely to exercise power but by that of effecting internal and external changes based on ethical considerations.

[Question] In January next the Greens are to establish a federal party. Should we assume that they have not yet climaxed?

[Answer] I am inclined to think that they are already on the way down. And I welcome their intention to organize a party. Only then will it be possible to come to grips with them. Currently they still represent a diffuse movement, although lately there have been two changes: First the Greens obviously wish to set up an ecological popular front, and that will cost them some support. After all, there must be many among them who will not want to join a party ranging from Gruhl to Bahro. Second: The CSU has already announced with somewhat amazing frankness that the Greens represent the fourth party. In other words the CSU considers the Greens a crutch to help them to an absolute majority of seats despite a worse showing at the polls than in 1976.

[Question] This is not even all that unrealistic. How can the FDP defend itself?

[Answer] We will set the voters straight by telling them: Those who sow green seeds may in the end reap a black harvest.

[Question] Let us forget the Greens for a moment. Has anything else changed for the FDP by comparison to 1976? At that time the party adopted the slogan "the four who matter." Where are they now?

[Answer] We can point out more than four now. For 1980 we have decided to put the emphasis on our chairman Hans Dietrich Genscher. We are doing so because the two other parties are preparing a duel of personalities. We are therefore indicating our highly respected and successful chairman. In future Hans Dietrich Genscher will speak his mind much more forcefully on some controversial domestic topics. In fact he has already begun on this course.

[Question] One of the consequences has been the emergence of remarkable issue-related differences with the SPD, such as on disarmament, the comprehensive school and social security.

[Answer] The list could well be longer. Considerable differences of opinion arise on important environmental issues such as the traffic noise abatement law, the environmental chemicals law. There are also divergences about media policy, nor has the last word been said about the structure of the 1981 tax package.

[Question] Recently you emphasized your warnings of the rise of the socialists in the SPD. Does this mean that it tended earlier to be overlooked, or are we witnessing a new phenomenon?

[Answer] I was quite surprised about the echo I raised, because it is certainly nothing new for the SPD to count among its members a rising number of those who like more strongly to stress the socialist content of democratic socialism. Looking at the discussions in some Land federations prior to the Berlin party congress nobody could possibly deny the claim that--at least from the ideological aspect--the SPD has lately taken a distinct turn to the left. However, in the Federal Government's day-to-day conduct of politics this is not visible at all.

[Question] How wide is the rift between the Chancellor and his party?

[Answer] I do not see any rift. Still, the SPD is certainly not the monolith it would like to be. It encompasses an unusually wide spectrum, and it will be increasingly difficult to keep the party together.

[Question] In other words, Helmut Schmidt is the cement of the coalition?

[Answer] Of course a successful and respected federal chancellor makes it easier for a coalition to stick together.

[Question] Your election campaign concept speaks of the FDP's "independence" vis-a-vis the SPD and the CDU/CSU. Admittedly in the past it has not been easy for the FDP to demonstrate its openness toward the Union. Has the nomination of Strauss as chancellor candidate done something to ease this need for the Liberals?

[Answer] I have never considered it necessary to prove openness toward the Union. I uphold the principle that democratic parties must at all times be ready to interact with one another, regardless who is at their head. In the past 10 years the Union parties have not offered any viable alternative. They have failed as an opposition.

[Question] Do you mean to say that Strauss makes no difference?

[Answer] It is a fact that we are no longer called upon to demonstrate openness by, for example, pronouncing on possible coalitions. It is another obvious fact that the nomination of Franz Josef Strauss as the top candidate of the Union parties not only amounted to a rebuff to the FDP but also to

the liberals in the CDU/CSU. After all, Strauss did not nominate himself; he was nominated by the two parties, the CDU and the CSU. As far as I am concerned he now represents the Union. As a Liberal, therefore, I no longer need to reflect very long: Sonthofen politics are simply out of the question.

[Question] Westphalian CDU chairman Biedenkopf holds a very different opinion. He sees the liberalism of the FDP in the wane and offers the "old established FDP followers" a new home in the CDU.

[Answer] I do not know how Biedenkopf interprets liberalism. I am certain, though, that his nomination of Strauss is mainly responsible for having driven the few remaining liberals from the Union.

Biedenkopf is right in thinking that the party scene has begun to move as a consequence of Strauss, though certainly not toward the Union parties but rather toward the FDP. In the meantime discussions within the Union show more clearly every day that Strauss' start was definitely a false start. In fact I feel safe in claiming that the candidate discussion in the Union has been reopened. We might be in for some surprises yet.

[Question] How does the FDP intend to approach liberal CDU voters?

[Answer] I do not think it would be possible to recruit these voters for the FDP by simply asserting that we are just like the CDU only without Strauss. We will have to be honest and avoid endangering our liberal identity. But I expect that these voters will now be receptive to the FDP's real aims. We can point to our economic policy, our economic minister, we can indicate our resolutions on the security of the old, the simplification and lowering of taxes, we can remind them of our role in the coalition. In fact we have a lot to offer.

[Question] If, therefore, Strauss is not harmful to the FDP, what percentage of voters might he bring it?

[Answer] I have stopped making forecasts, especially 11 months before the election. I do, however, share the assumption behind your question: Strauss' nomination is more likely to help than harm the FDP.

11698
CSU: 3103

FDP SECRETARY GENERAL COMMENTS ON GREENS, FDP CAMPAIGN

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 7 Nov 79 p 4

[Article by my: "'Greens' as Third Enemy"]

[Text] Bonn, 6 November--On Tuesday the FDP applauded the decision by the "Green groups to form a party for the Bundestag election campaign, stating that it was in the interest of clarity. Secretary General Verheugen indicated to journalists that since the weekend a changed situation had arisen: Now it was possible for others to compete with the "Greens;" on the other hand, the "Greens" would also have to agree to be judged according to political standards. Verheugen expressed doubts that the group would succeed in uniting all interests; in his opinion it "does not seem likely" that they will be able "to bridge the span from Gruhl to Bahro." From now on the FDP will pinpoint the thrust of its arguments more and more on the theory that a vote for the "Greens" would indirectly strengthen the Union and could therefore help Strauss, its leading candidate, to come to power. The FDP will begin its own election campaign between January and March with a number of big events under the motto: "Winter Journey 80."

Verheugen, who was discussing the FDP election campaign course the day after the meeting of the FDP executive committee, had reconciled his "program" overnight with the result of the discussion: The treatise had the overwhelming support of party leaders and lower officials anyway. The opinion is widespread among FDP members that the position of the secretary general has been strengthened and that he had overcome his considerable initial difficulties, which lasted for almost 1 year.

The program still contains the statement that the "real alternative" during the election is "the FDP or Strauss" and, after all, there could be a similar election campaign slogan, but party leaders are interpreting this formula quite extensively. What this means is that all circumstances which would help Strauss to become chancellor, be it a relative success of the "Greens" even an absolute victory by the Union, would exclude the FDP from national politics. Strauss himself has professed this goal; he is now the only representative of the Union. Verheugen, however, is of the opinion that the Free Democrats would not be facing one "major opponent" in an

election campaign conducted in an offensive or even aggressive manner, with Party Chairman Genscher as a clearly profiled protagonist. They will have to face two competitors, the SPD and, naturally, above all also the Union, and now a third opponent has been added: the "Greens."

Anyway, according to Verheugen the emphasis must be on discussion of political matters with the Union. The FDP general secretary opened the attack immediately by calling attention to an "enormous false start" by the Union. To date it has offered nothing but verbal slips by their leading candidate and two "accidental campaigns"—against labor unions and by making comparisons between National Socialism and Socialism. The Union made Strauss the leading candidate in order to acquire a tight, unified leadership, but this is the very thing which to date has not yet been accomplished: "The strong man is not yet a strong man."

During their election campaign, which will be concentrated on the topics: environment, constitutional government, old-age insurance, tax policies, the education controversy (the FDP is striving for a moderate position) and media policies, the FDP will also make use of the demoscopically established, widely held sympathy for their honorary chairman, former FRG President Scheel. Verheugen predicted that Scheel would not actually take part in the election campaign; however, he would not decline, for instance, if associations or organizations invited him. In reply to questions, Verheugen added with some regret that it was unlikely that he would appear on posters, but in a figurative sense Scheel's image would be like a "silhouette in the background" in the FDP election campaign.

In general, the FDP general secretary was optimistic. Recent surveys indicated that "regular party members" amount to at least 5 percent and in recent months "the possible potential of crossover voters" has also increased, which to some degree can be attributed to those people who are inclined toward the CDU but who do not agree with Strauss.

8991

CSO: 3103

MARXISTS WORK TO CAPTURE GREEN MOVEMENT

Munich BAYERNKURIER in German 10 Nov 79 p 4

[Text] The Greens have always been multicolored, and this fact is likely to decide their future. Either they will suffer the fate of the communists and socialists left of the SPD--fragmentation--, or they will turn red. Many radicals left of the SPD therefore persist in believing that they will be able to use the Greens as the fermenting agent of a left unity movement which, one fine day, will succeed by all kinds of popular front practices, in involving the SPD also or, at least, its powerful left wing. Actually they have good ideological reasons for their belief.

Rudi Dutschke intends to move his second home to Bremen where the new, the green APO [extra-parliamentary opposition] managed for the first time to jump the 5 percent hurdle and enter the provincial assembly. By this move Dutschke wishes to make himself available as a political adviser to the four new representatives. At the same time, by the sheerest accident, Rudolf Bahro received the offer of an open-ended "research assignment" from the notorious Bremen University. It will be remembered that, immediately after being ransomed from the East, Bahro offered himself as a mentor to a socialist-green opposition in and against this republic. The left wing of the SPD is closely watching Bahro's political activities. Peter von Oertzen, one of its prominent spokesmen, has already acknowledged him to be a "knowledgeable and competent discussion partner on basic problems of socialism," whose ideas would certainly be apt beneficially to affect the discussion within the SPD. Bahro, though, is attracted by the Greens rather than by the SPD, possibly because he knows the Greens only from rather sketchy reports.

Bahro's attitude is in fact quite typical for all serious leftists more or less instinctive liking for the Greens. They consider the Greens akin to them because both conceive themselves "movements"--in fact are bound to conceive themselves as such. For the Marxist left the Green movement means more than an awe-inspiring world historic tradition; in fact it proclaims the approach of a world revolutionary era. True, the new left has become somewhat more modest: It no longer wishes to be confused with the social-

democratic-socialist movement, but at least it still considers its political excesses a "student movement."

The situation is similar with respect to the Greens. The lack of hard issues virtually compels them to consider themselves an "ecological movement," thereby profiting from the muffled consciousness of epochal change. Environment and pollution differ in their aspects from one place to the next; it is not possible to build an effective political movement on environmental issues alone. What is actually prevalent is a diffuse feeling governed on the negative side by nuclear energy, and on the positive side by a no-growth and intact ecological world which will offer, in fact force everyone to adopt a leisurely alternative lifestyle. By their very nature, therefore, the Greens represent more of an introspective and protest movement; they can be motivated to political and active "change" only if ideological generalities are added to sentimental generalities.

It is this which the Neomarxists have made it their business to do. They intend to arouse in the Greens the correct consciousness of their individual feelings and anxieties. The Marxist left interprets the Greens hostility to growth and civilization, their often synthetic and media-inspired longing for a return to nature as a new stage in capitalist alienation, the experience of the "colonization of the living world" by late capitalism, to quote J. Habermas, a leading Neomarxist ideologue. Ecological dangers are therefore claimed to have an economic "origin," and only when this is removed will it be possible to produce an ecologically appropriate and therefore also morally true "living world."

Once this concept turns to politics (and it is bound to do so if the Greens wish to continue to be taken seriously in the political context), it amounts to a rigorous distributive and shortage-ridden socialism supported only by survival slogans, which does not believe it can afford to take any account of traditional individual liberties. So far no leading "bourgeois" Green has been able to offer anything else.

It is here that we get the most important affinity between the new left and the Greens. Ideologically the new left is just as much enslaved by the distributive justice of a new society. What is novel about the new left is the fact that it has relinquished the belief in the "necessary" and onetime collapse of capitalism and is about to give up its belief in a socialist society of steadily growing abundance, where the need to share tends correspondingly to dwindle. All that remains is "socialization" for the sake of moral distributive justice. Conservatives and, consequently, libertarian elements who certainly are (or at least were) quite active among the Greens are caught up in ecomaterialism and thereby turned around--however much Eppler may flirt with a green-red "value conservatism."

From this aspect the Greens are no more than a temporary danger for the SPD. The threat can best be met by setting up a green wing at the left of the party, which should be politicized somewhat more cautiously than the Marxists

left of the SPD were trying to do with some success. In certain circumstances this may, indeed must, get to the point that in matters nuclear energy an SPD majority needs officially to take issue with a "strong" minority SPD bent on soliciting Green favors. We are likely to see this happen very soon, at the Berlin party congress. The party political purpose of such maneuvers is obviously that of keeping the Green vote well below 5 percent and, consequently, the SPD voter potential as intact as possible. In case this should not suffice in the long run, the Bremen example holds out the promise of a consolation prize. There we saw that the Greens got into the assembly mainly by drawing votes from the "bourgeois camp," though the Greens in Bremen are already rather red. It is therefore quite possible that even an irruption of Greens in various provincial assemblies or the Bundestag proper may not result in a major erosion of SPD strength. This would make the Greens instantly suitable to be coalition partners, not only due to their own well developed green-red wing but also their progressive ideological penetration by the new left. For people such as von Oertzen or Eppler two or three "movements" would then coalesce and initiate a socialist millenium. The majority SPD of the Berlin party congress would have helped this in its own way--and it and its chancellor would then be proved to be ephemeral indeed.

11698

CSO: 3103

BRIEFS

CONCERNS OVER NEO-NAZIS--Berlin, 6 November (DPA)--In view of increasing activities by neo-Nazis, the FRG government has announced further measures--including legal ones--to fight this form of right-wing extremism. On Tuesday, FRG Minister of Justice Vogel asked the SPD members of the Bundestag, who were meeting in Berlin, to introduce legislation for closing the gaps in the possibilities of prosecuting neo-Nazi activities. Vogel and Huber, FRG minister for youth, family and health, were advocating an increase in intellectual and political discussions on neo-Nazism as well as deliberations about the causes and effects of National Socialism. Mrs Huber said that particularly in schools efforts should be increased to transmit to students the ability to recognize the dangers of extremism. According to Vogel, a gap in the penal code exists when it is punishable under law to distribute objects with NS emblems but it is not punishable to manufacture or import such objects. In Vogel's opinion it may be necessary to amend the law further to be able to take action against the right-wing extremist DEUTSCHE NATIONALZEITUNG. [Text] [Frankfurt/Main FRANKFURTER ALLGEMEINE in German 7 Nov 79 p 4] 8991

CATHOLIC PAPERS MERGE--Following the merger of the newspapers RHEINISCHER MERKUR and DEUTSCHE ZEITUNG--CHRIST UND WELT the new weekly will carry the name RHEINISCHER MERKUR--CHRIST UND WELT. It will first be published next year. The RHEINISCHER MERKUR had purchased the DEUTSCHE ZEITUNG--CHRIST UND WELT from the publishing group Holtzbrinck GmbH [company with limited liability]. As reported from Cologne the editorial board of the new weekly will be domiciled in Bonn and headed by Ludolf Hermann, the present editor-in-chief of the DEUTSCHE ZEITUNG--CHRIST UND WELT. [Text] [Frankfurt/Main FRANKFURTER ALLGEMEINE in German 19 Nov 79 p 2] 11693

CPSU CONDEMNS FINNISH CP FIRST SECRETARY'S TALK OF 'HISTORIC COMPROMISE'

Helsinki HELSINGIN SANOMAT in Finnish 23 Nov 79 pp 3, 10

[Unattributed report: "CPSU Condemns Arvo Aalto's Compromise"]

[Text] The Central Committee of the CPSU has both warned and reproved majority faction Finnish communists regarding the "historic compromise." The thrust of this call for discipline was aimed at Finnish Labor Minister and SKP [Finnish Communist Party] First Secretary Arvo Aalto, who has been publicizing the [idea of such a] compromise. Last winter in KOMMUNISTI, the SKP's theoretical and political journal, Aalto proposed cooperation between the Left and the "progressive" national bourgeoisie.

The CPSU Central Committee also intervened in the ensuing discussion about a Finnish "historic compromise" by sending the SKP a letter in which Aalto was reproached. When the French paper LE MONDE made public the existence of this letter the SKP's Information Bureau branded the information about the CPSU's reproach of Aalto a distortion perpetrated by the newspaper of the SKP's minority (Stalinist) faction.

SKP chairman Aarne Saarinen criticized the party's minority faction for the publication of the letter of reproach as not in keeping with the communist spirit of solidarity. In his opinion, the Stalinist wing has failed to display solidarity not only toward its own party but also toward the CPSU. "A fraternal party is entitled to state its views, but these are by no means always meant to be publicized."

The majority faction SKP leadership does not dispute the existence of the letter or the fact that the brunt of the CPSU criticism was directed expressly at Labor Minister and SKP First Secretary Arvo Aalto, who has been considered a leading candidate to succeed Saarinen when he retires. The CPSU Central Committee's letter to the Finnish Communists was received from LE MONDE and published in TURUN SANOMAT on Thursday [22 November]. In its letter the Soviet Central Committee implies that Aalto has forgotten about class struggle and presents examples of how such "historic compromise" has inevitably led to flirtation with class reconciliation. At the

same time, the CPSU emphasizes that though it does not wish to interfere in the internal affairs of a fraternal party, it still has the right to express its opinion.

A letter of reply was sent from Finland in which Aalto justified and elaborated on his views. In the account which the SKP's Information Bureau provided on Aalto's behalf, [the release of] news regarding the letter of reproach was condemned as being part of a series of "distortions of SKP decisions and documents done by the editors of TIEDONANTAJAT [the Stalinist-wing newspaper]. The SKP Information Bureau stressed that Aalto had not engaged in personal correspondence with the CPSU Central Committee. According to the Information Bureau, "There has been instead regular consultation and the exchange of views and information on many political issues, among them the views of Finnish Communists on the SKP's internal situation. Last spring certain points relating to the Arvo Aalto articles were also taken up. The position of the majority faction SKP leaders was also made known to other communist parties. Since then, the matter has not been taken up by either [the Soviet or the Finnish] party."

It further pointed out that it has been primarily TIEDONANTAJAT, the minority faction's press organ, which has in its "own one-sided manner" kept discussion of the "historic compromise" going. It was further emphasized that Aalto's views are fully compatible with the official party line confirmed by the SKP's Party Congress.

Aalto's ideas regarding cooperation between the Left and the "national bourgeoisie"--presented in KOMMUNISTI, the SKP's theoretical and political journal--have been sharply repudiated by members of the SKP's minority faction. They have claimed that Aalto's compromise is reminiscent or suggestive of the "social contracts" formulated by the Wage and Price Board. Aalto has disputed this claim; he maintains that the idea of the inevitability of class struggle rather than the denial of it permeates his KOMMUNISTI article.

The SKP's quarrels were aired in a television program on which both Saarinen and [Taisto] Sinisalo were interviewed. Saarinen said that he had no wish to show anyone the doorway out of the SKP but maintained that the situation within the SKP would not be resolved by the means employed by the minority faction. Saarinen was convinced that the real issue to the power struggle taking place within the SKP. Stalinist leader Taisto Sinisalo rejected this interpretation and claimed that it is "ideological and political" differences which were at issue. Saarinen answered a question about the CPSU's position by saying that the CPSU has no aim beyond the hope of seeing unity restored to the SKP. Sinisalo, on the other hand, maintained that the CPSU supported the SKP line as set forth at the Party Congress.

FOREIGN PRESS REACTION TO KOIVISTO STAND: 'LIKE GROMYKO'

Helsinki HELSINGIN SANOMAT in Finnish 6 Oct 79 p 8

[Article by Matti Klemola: "Koivisto's Statement Annoys German Newspapers"]

[Text] Bonn--An interview with Prime Minister Mauno Koivisto (Social Democrat) that appeared in the Norwegian AFTENPOSTEN on Wednesday has given rise to an angry reaction in the FRG press.

The prestigious FRANKFURTER ALLGEMEINE, the same newspaper that indirectly dropped a "Midsummer Eve bomb" in Finland by exhibiting surprise at an interview given by Parliament Speaker Johannes Virolainen (Center Party), criticized Koivisto in a short lead article on Friday.

In its lead article bearing the headline, "Like Gromyko," the newspaper views the Finnish prime minister's interview, which was critical of the Western nations, "as a propaganda service" that certainly does not lessen the impulse to describe it by using the word, "Finlandization"--thus the opinion of the FRANKFURTER ALLGEMEINE.

Off the front page, the newspaper also printed a three-column news item on the Koivisto interview under the headline, "Koivisto raises Soviet Union, Sharp Finnish Criticism of Increased Western Defense Measures."

Composed by the newspaper's Stockholm correspondent, the article is illustrated with a caricature depicting a Russian wooden doll, moving on caterpillar tracks and, in the heavily armed doll's pistol belt, along with the weapons there is also a leaflet bearing the word, "peace,"

As far as Finland is concerned, the impact of the negative newspaper article had petered out in the FRG long before President Urho Kekkonen's official visit in May. Among others, DIE WELT, greatly delighting in the emphasis laid on the matter by the extreme right, promised to refrain from using the term Finlandization in the future.

Also the fact that Kekkonen's visit recieved exceptionally broad and nearly completely favorable coverage in the German news media was viewed as a sign that the German press understands Finland's foreign policy line and at the very least refrains from emphasizing cold war issues.

The FRANKFURTER ALLGEMEINE's June display of surprise, which was brought on by the interview Parliament Speaker Johannes Virolainen granted SUOMEN KIVALEHTI, however indicates that the German press continues to closely follow--although without using the term, "Finlandization," at all--statements made by Finnish politicians, particularly when they are concerned with foreign and security policy.

The FRANKFURTER ALLGEMEINE's Friday lead article is a fresh sign of the continuity of this scrutiny.

"Like Gromyko"

"If Finnish Prime Minister Koivisto's purpose in granting an interview to the Norwegian newspaper, AFTENPOSTEN, was to get attention, he figured rightly. But it was a different kind of attention than he had hoped for. Such claims that, in their efforts to increase their defense measures, the Western powers are messing up the international situation might also be attributed to Gromyko, just as if there was as little significance in the Soviet Union's superiority in conventional weapons as in the new Soviet intermediate-range missiles or the dramatic beefing up of the Soviet Navy."

AFTENPOSTEN Interview

The Koivisto interview that rankled the FRANKFURTER ALLGEMEINE can be summed up as follows:

In the interview with Norway's biggest daily, AFTENPOSTEN, Prime Minister Mauno Koivisto (Social Democrat) said that the other Nordic countries do not try hard enough to keep themselves informed on Finland's position.

In the North special conditions prevail. We know from experience that delicate questions often arise between countries and we must keep this in mind, Koivisto noted, and directed attention to the Nordic countries' special ties, in terms of defense alliances and with the big powers.

Finland does nothing that might change the present situation in the North. However, we should trust one another more in the North, for the differences that exist among us are minor. We have the same attitude toward many issues, he went on, adding that Finland always has the other Nordic countries in mind and that it expects them to ask themselves what they would do in Finland's place.

Koivisto said that, 10 years ago during the NORDEK [Nordic Economic Union] negotiations, Finland had an opportunity to influence the other Nordic countries in their relations with the EEC but it decided not to take advantage of the occasion. He felt that if Finland had signed the NORDEK agreement, it would have kept Denmark and Norway out of the EEC.

Koivisto further said that every country has to find its own solution, but that he felt that it is to Norway's advantage and for the good of Nordic cooperation that Norway is not a member of the EEC.

During the special AFTENPOSTEN interview, Koivisto said that the Soviet Union is very much interested in disarmament since armaments consume huge amounts of the country's financial resources.

He, however, noted that in the Western countries there is less interest in disarmament than before.

"There are forces in the West that want to force the Soviet Union to use so much of its financial resources to acquire weapons that the outlay will exceed the standard of living. This would appear to be a dangerous attitude," Koivisto felt.

11,466
CSO: 3107

PUBLIC OPINION POLL TESTS POLITICAL CLIMATE, PERSONALITIES

Paris LE FIGARO in French 6 Oct 79 pp 88-90

[Article by Charles Rebois: "The Presidential Election in the Line of Sight"]

[Text] The October barometer--the 20-26 September poll--indicates a slight dispelling of the gloom registered a month ago. But let us weigh our words: Although in several sectors things seem to be going better and are being less bitterly resented, the underlying mood is still one of pessimism.

Raymond Barre is the principal beneficiary of this slight improvement. His performance is being less severely criticized (+4 percent) by a fraction of those who 1 month ago expressed "no opinion," and his personal standing has risen (+3 percent). However, opinions expressed on certain aspects of government policy--mainly with respect to price rises--are still as severely critical.

Totally unexpectedly, this "honest and unambitious" man has registered a larger gain than that of the president of the republic (+2 percent). This would seem to indicate that 16 months away from the presidential election and to the extent the potential candidate's standing appears to close in on that of the incumbent president, the personal standing of the chief of state is becoming more vulnerable. The French draw a distinction between two aspects of a leader's image. They place their confidence in the defender of their freedoms and institutions and in the person behind their foreign policy. But Giscard d'Estaing's image as projected through his economic and social policies is coming through negatively.

However, the most significant readings of this October barometer concern the social climate. The number of French people who fear the outbreak of social conflicts has diminished by 12 percent. The confrontation that many dreaded would occur with the return to work after August vacations has not materialized. Should this be attributed to the prime minister's open spirit? Undoubtedly, in part. However, other factors have also contributed to the CGT's [General Confederation of Labor] defeat. In the first place,

there is the economic crisis which acts as a curb in the private sector. Then there is Edmond Maire. The positions taken by the leader of the CFDT [French Democratic Confederation of Labor] have upset the traditional trade union lineup to the point where Seguey, and with him the PCF have found themselves isolated.

The overtures addressed by the government to a union that has been considered the most contentious have fast taken on a political dimension in the UDG [French Democratic Union]. They undoubtedly bear a relationship to long-range planning in the Elysee. But playing with fire can result in burnt fingers.

Projected from backstage on to this backdrop can be seen the silhouette of Michel Rocard who has been promoted to the rank of privileged outsider in 1981 by favorable polls. True, the gap between the deputy from the Yvelines (+1 percent) and Francois Mitterrand (-1 percent) is closing. It is now 7 percentage points. But contrary to the reckonings advanced recently, Mitterrand is still being favored by the socialists. Rocard's fine standing in the polls is still owing to the contribution being made to it by majority party voters, especially those of the UDF--and to the art of knowing, as in Jacques Chirac's case, how to keep quiet while the others tear each other apart.

The president of the RPR [Rally for the Republic] is in fact putting his house back in order (+4). A diet of silence has relegated the Cochon outburst into oblivion and, aided by some firm resolves, a more mature politician, more the master of himself and of his actions, is emerging.

Are Jacques Chirac and Michel Rocard then likely to be contenders in the presidential race? The possibility was hardly considered a few weeks ago. Today it looks less remote. They are two young candidates whose ambitions will sooner or later find expression at an upper level.

This is why, in Michel Rocard's case--we say it again advisedly--the UDF, playing with fire, could end up with burnt fingers.

[Details of poll follow:]

SOPRES [French Opinion Polling Company] Data Sheet

--Poll conducted for LE FIGARO MAGAZINE

--Date of poll: 20-26 September 1979

--National sampling of 1,000 persons representing a cross-section of the population 18 years of age and older

--Quota sampling method (sex, age, occupation of head of family) and stratification by region and category of population center

Giscard d'Estaing: +2

Question: Are you entirely confident, rather confident, rather unconfident, or entirely unconfident that Mr Giscard d'Estaing can resolve the problems we are now facing in France?

	September 1979	October 1979
Entirely confident	12	12
	49	51
Rather confident	37	39
Rather unconfident	23	24
	45	44
Entirely unconfident	22	20
No opinion	6	5
	100	100
	percent	percent

Barre: 44








Question: Are you entirely confident, rather confident, rather unconfident, or entirely unconfident that Mr Barre can resolve the problems we are now facing in France?






	September 1979	October 1979
Entirely confident	7	8
Rather confident	22	25
	29	33
Rather unconfident	20	23
Entirely unconfident	43	39
	63	62
No opinion	8	5
	100	100
	percent	percent

The Personalities

Veil: +4; Chirac: +4

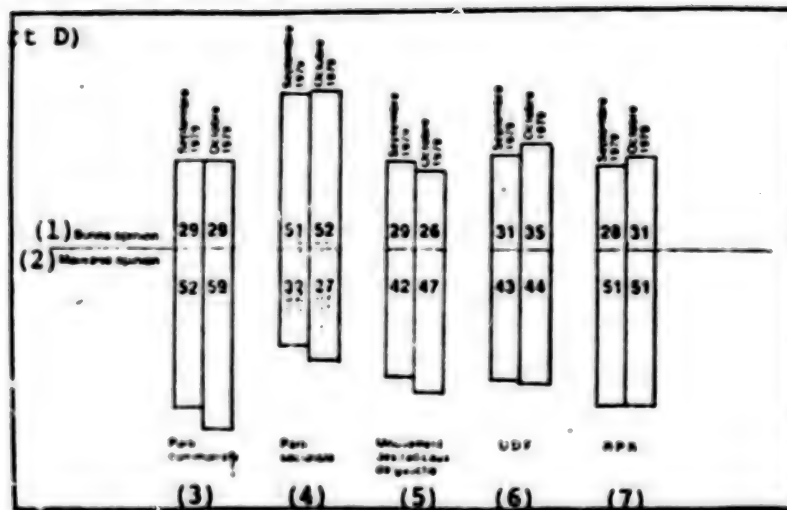
Question: For each of the following political personalities, would you tell me whether you would like to see him play an important role in the months and years ahead?

		Septembre 1979	Octobre 1979
	Simone Veil	43	47
	Raymond Barre	29	32
	Alain Peyrefitte	29	29
	Jacques Chirac	26	30
	Edgar Faure	25	24
	Jacques Chaban-Delmas	26	25
	Jean Lecanuet	19	20

		Septembre 1979	Octobre 1979
	Michel Rocard	42	43
	François Mitterrand	37	36
	Pierre Mauroy	35	31
	Robert Fabre	27	26
	Georges Marchais	26	25
	Michel Crépeau	10	9

The Political Parties

RPR +3; UDF +4



Key:

1. Good opinion
2. Poor opinion
3. Communist Party
4. Socialist Party
5. Movement of Leftist Radicals
6. French Democratic Union
7. Rally for the Republic

Priorities and Government Action

Question: Among the following things, which one, in your opinion, should the government act on first, under present conditions?

	September 1979	October 1979
Fight against price rises	29	29
Fight against unemployment	46	47
Fight against violence and crime	11	14
Maintain social peace	10	8
No opinion	4	2
	100	100
	percent	percent

Unemployment: Less Misgivings

Question: As regards the fight against unemployment, do you think the government's action is:

	September 1979	October 1979
very effective	--] 10	1] 13
rather effective	10]	12]
not very effective	43] 82	45] 81
totally ineffective	39]	36]
No opinion	8	6
	100 percent	100 percent

Prices: Criticism of Government Less Harsh

Question: As regards the fight against price rises, do you think the government's action is:

	September 1979	October 1979
very effective	1	1
	10	11
rather effective	9	10
	45	46
not very effective	84	85
	39	39
totally ineffective		
No opinion	4	4
	100	100
	percent	percent

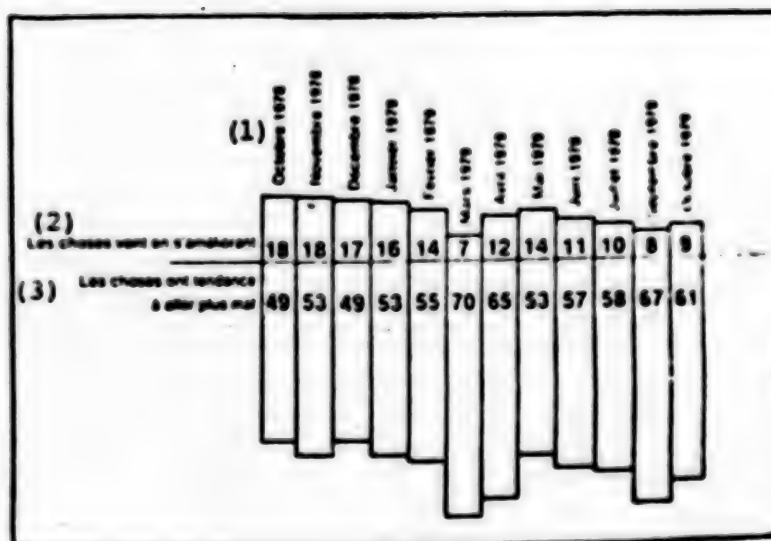
Political and Social Climate

Moderate Optimism

Question: As you see the way France and the French people are evolving, is it your impression that things are getting better or, on the contrary, that they are tending to get worse?

	September 1979	October 1979
Things are getting better	8	9
They are tending to get worse	67	61
There is no change	20	28
No opinion	5	2
	100 percent	100 percent

Optimism and Pessimism in Public Opinion



Key:

1. [left to right]: October 1978 - July 1979, September - October 1979
2. Things are getting better
3. Things are tending to get worse

Question: Do you think that in the next 2 or 3 months there will be many or few social conflicts?

	September 1979	October 1979
Many social conflicts	65	53
Few social conflicts	20	33
No opinion	15	14
	100 percent	100 percent

9238

CSO: 3100

PCF CONTINUES CONDEMNATION OF CZECH CHARTER 77 DECISION

PCF Politburo Statement

Paris L'HUMANITE in French 22 Oct 79 p 12

[Text of 21 October PCF Politburo statement]

[Text] The proceedings against Vaclav Havel and other Czechoslovak citizens for their political activities, which opened on Monday in Prague, will not fail to be painful to French communists.

We appreciate for what it is worth the historic progress embodied in the suppression of capitalist exploitation in a socialist country like Czechoslovakia and we are aware of the results obtained, in economic development as well as in the policy of social progress. This allows us all the more to express clearly our opinion of any measure--such as this proceeding--that is prejudicial to development of the socialist society, to its image, to the ideal for which we communists are fighting.

Unshakably devoted to the cause of respect for human rights and also desirous of helping socialist Czechoslovakia surmount these problems, we have done everything possible to try and get the proceedings canceled and Vaclav Havel and his companions released. Our action has been guided only by that single objective.

In the last few months Georges Marchais, on behalf of the Party, intervened with the general secretary of the Communist Party of Czechoslovakia, Gustav Husak, reaffirming the French Communist Party's position and pressing its request that the Czechoslovakian being prosecuted for a crime that is a matter of opinion be released; he intervened personally several times, with that in mind, with Czechoslovakian representatives.

The proceeding that opens Monday shows that, despite our repeated intervention, the Czechoslovakian leaders have not honored our request to give it up and free the accused. We cannot accept proceedings and imprisonment being substituted for the necessary political and ideological struggle.

we do not claim that we can dictate to anyone the means and forms for building socialism, just as we could not agree to someone defining our policy in our place.

Our defense of the Czechoslovak citizens who in our opinion are being unjustly prosecuted, comes exclusively from the conviction--which we underlined at our 23rd Congress--that in our time the development of democracy is a universal given which is and must be carried everywhere by socialism.

The Politburo of the French Communist Party believes that the acquittal of the accused is now the only measure conforming to justice and the interests of socialism.

The Politburo of the French Communist Party
Paris, 21 October 1979

PCF Expresses 'Indignation'

Paris L'HUMANITE in French 24 Oct 79 p 1

[Short article: "Iniquitous Verdict in Prague"]

[Text] Vaclav Havel and his companions receive heavy sentences: five sentences of three to five years in prison. French Communists are receiving this decision with indignation.

'Intolerable Disrespect for Rights'

Paris FRANCE NOUVELLE in French 27 Oct-2 Nov 79 p 15

[Article by Gilbert Wasserman: "After the Prague Verdicts"]

[Text] So the verdicts have fallen, heavy, intolerable, at the end of an expeditious proceeding in which the elementary rights of the defense were not respected.

Thus the Czechoslovak authorities have turned a deaf ear to the international protest, particularly from the French, Italian and Spanish Communists.

Thus Vaclav Havel, Peter Uhl, Vaclav Benda, Jiri Dienstbier and Otta Bednarova will have to spend three to five years in prison, unless as a result of a sinister bargain it is proposed that they be exiled and lose their nationality in exchange for their release. Although Dana Nemcova receives a suspended sentence, she is nevertheless sentenced like the others, the victim of an arbitrariness in the face of which French Communists can only express their indignation and make it their duty to demand that all the sentences be lifted.

However, it is useless to speculate about anything beyond the individual situations of those sentenced in Prague. In fact, it really seems that beyond the accused themselves the Czechoslovak authorities had it in mind to proceed

against two organizations, Charter 77 and VONS [Committee for the Defense of Persons Unjustly Prosecuted], the objective being in this case to assimilate every activity of those two organizations into the "subversion against the state and Czechoslovak society." It is not for us to decide about the opinions of those who make up those organizations, but about their right to express them. Charter 77 brings together persons of various political origins, among them former leaders of the Communist Party of Czechoslovakia excluded from the Party after 1969, and has set as its objective the struggle against all violations of the constitution in effect in that country. As for VONS, it wants a humanitarian association of material aid to the victims of arbitrary action, political prisoners, intellectuals forced from their jobs, families of deported persons.

Everyone will have noticed in passing the sad irony in the unjust prosecution and sentencing of the defenders of those who are unjustly prosecuted. It is true that Prague was the city of Franz Kafka, but the symbol goes farther than that; in its way it demonstrates that arbitrary action is a vicious circle, and that a state that gets caught up in it tends soon to make it a method of governing.

So this proceeding is on the one hand a proceeding against opinion in the sense that it is considered a crime for Czechoslovak citizens to have expressed their feeling about the situation in their country; on the other hand it is an action against any attempt at association, even within the context of Czechoslovak legality. Moreover, one may wonder to what extent there really is a difference between those two aspects, as it is true that freedom of opinion only has meaning if everyone has the chance to make his own opinion known to the others.

There has never been any question of French Communists doing anything at all that might damage socialism in Czechoslovakia, but what does damage socialism in this case is not denouncing the proceeding, but organizing it.

There is no longer any question of our joining our voices with that of the hypocrites who rejoice in their hearts over anything that is likely to tarnish men's hopes for liberation. Finally, it is not a matter of forgetting socialism's merits and what it has given the Czech and Slovak peoples, even though it is true that the sequelae of the foreign intervention of 1968 still weigh heavily and negatively in the country. The fact remains that there are positive achievements, but none of them would be justification, even in extenuating circumstances, for such an attack on democracy and freedom as this skit.

Acting as we do, we are not mistaking the adversary, but on the contrary are sure of bring our principles and our actions into conformity. That is because we are Communists, because we cannot remain silent, and as we are fighting for socialism, so is it true, as was emphasized by the PCF Politburo in its statement in favor of the Prague accused, that "in our time the development of democracy is a universal given of which socialism is and must be the carrier everywhere."

It is also for that reason that to the demand for the release of Vaclav Havel and his companions is added a demand for renunciation of the prosecutions against the four other VONS accused, who are to be tried later, as well as a need for vigilance with regard to other potential proceedings.

In going in that direction the French Communists are not taking a new position, they are acting in complete conformance with the decisions taken by their 22nd and 23rd Congresses.

8946

CSO: 3100

PCF PREPARES FOR FEBRUARY 1980 LAUNCH OF NEW PUBLICATION

Commentary on Editorial Staff

Paris LE MONDE in French 18 Oct 79 p 17

[Article by P.J.]

[Text] The new PCF weekly, whose management team and "editorial board" were presented on Tuesday 16 October by Guy Hermier, a member of the Political Bureau, will be, Mr Hermier said, "the weekly with a perspective, with a policy, with a strategic aim." Aiming for a circulation of 100,000 copies, the new publication, which will be substituted for the weekly FRANCE NOUVELLE and the monthly LA NOUVELLE CRITIQUE, will include journalists from those two organs. Mr Hermier indicated that the candidacies presented by the former journalists of FRANCE NOUVELLE, who had left that weekly early in the year, following disagreements with its managers, will be "studied seriously."

Managed by Mr Hermier, the new weekly's editor-in-chief will be Jean Burles, a member of the Central Committee, assisted by Daniele Bleitrach and Michel Cardoze, Francois Hincker and Claude Prevost. The managing editor will be Jean-Michel Catala, a member of the Central Committee. The editorial board, for which a "first list" of 54 members has been published, includes four members of the PCF Central Committee and ten permanent members.

Marked by the presence of Jean Elleinstein, Claude Frioux, Maurice Goldring, Raymond Jean and Antoine Vitez, this board is also distinguished by the absence of the intellectuals whose positions are close to those of Louis Althusser, beginning with Mr Althusser himself. It seems that the Party leadership wants instead to direct those who claim to draw from that movement toward the new research institute, born of the fusion of the Center for Marxist Study and Research and the Maurice-Thorez Institute; Francette Lazard, a member of the Political Bureau, is to ask on Friday that it be created.

The presence is noted on the editorial board of the new weekly of writers Bernard Noel and Pierre Bourgeade, but others like Jean-Pierre Chabrol, who was the object of a personal intervention by Mr Hermier and Claude Mazavric, refused to participate.

The new weekly is expected to come out early next year, at the time of the Central Committee that is to be devoted to the intellectuals. The presence on the management team of Mrs Bleitrach, a member of the Aix-en-Provence university cell, who was behind the "petition of the 1,500" in May 1978, and Francois Hincker, who was dismissed from the Central Committee last May, marks a desire for openness in leadership on the part of some of the militants, who had demanded a debate on the policy followed by the PCF in the period before the legislative elections. However, those in charge of the new publication have stated that the discussions to take place at that time must be within the context of Party strategy, which should not be put to the question.

Orientation of New Publication

Paris FRANCE NOUVELLE in French 20-26 Oct 79 p 4

[Text] Our readers have known since June that a new weekly is destined to substitute for FRANCE NOUVELLE and LA NOUVELLE CRITIQUE.

"A new weekly destined to deal in an open, lively, creative, combative manner with the great political, ideological, cultural questions being raised in our time...A press organ destined to put the stamp of its originality on French political and cultural life. In the face of the suppression systematically organized by the government in place and the big media for expression of its orders, we want to create a space for freedom, a place for free expression for all of those--especially a large number of intellectuals--who are in the same strategic perspective (that of self-managing socialism) and who have democracy and freedom in their hearts."

It was in those words that Guy Hermier, a member of the PCF Political Bureau, presented to the press on Tuesday 16 October the act of birth of the new weekly, which is to appear in the last half of February.

During that press conference, which was held in the lobby of the Chaillot National Theater, the management team of the new weekly was presented, as well as the first list of the members of its editorial board, which we publish below.

The permanent editorial team will be made up in the next few weeks; it is to be made up of journalists from the teams of FRANCE NOUVELLE and LA NOUVELLE CRITIQUE and other journalists, as well as other intellectuals, whether or not they are communists.

Those are the first concrete elements of information concerning what is, for the Communist Party, a new experience, a newspaper that is not one of the official organs, but, like the expression proposed for it at the Chaillot Palace, a newspaper "of communist opinion." A newspaper that does not intend to be the voice of a special class, but is addressed to all who are interested in the big political, ideological and cultural problems.

With those early decisions, what might be called the initial phase of planning the new weekly is completed. At present, the second phase is beginning; it

will lead to the project becoming concrete. It will be accomplished with all those concerned in it--the editorial board, journalists, the most diverse contributors. This also means that it cannot materialize without you, the FRANCE NOUVELLE reader, without being familiar with and taking into account your opinions, your wishes and your proposals.

So we call upon you to inform us about them, as some of you have already done, and we thank you. We are now going to devote a large share of our letters to the editor to this exchange of ideas and suggestions. In this way conditions will be created in which every one of you will be able to take part in preparing the new weekly, so that it will become yours.

Management

Manager: Guy Hermier

Editor-in-chief: Jean Burles

Associate editors-in-chief: Daniele Bleitrach, Michel Cardoze,
Francois Hincker, Claude Prevost

Managing editor: Jean-Michel Catala

Editorial Board

Louis Aragon, Claudie Anado

Jacques Barrau, Michel Bataillon, Henry-Georges Baudry, Colette Bernas,
Daniele Bidart, Marcel Bluwal, Pierre Bourgeade

Jean-Paul Camus

Francis Cohen, Francis Combes, Francis Cremieux

Anne-Marie Decaillot, Jean-Pierre Delilez, Claude Detraz, Charles Dobzinski,
Daniele Dutil

Guy Erisman, Bernard Eisenchitz, Jean Elleinstein, Jacques Estager

Maurice Failevic, Monique Florinzano, Patrick Forterre, Claude Frioux

Andre Gisselbrecht, Serge Goffard, Maurice Goldring, Jean-Michel Goux

Raymond Jean, Joel Jouanneau

Jean-Pierre Kahane, Daniel Karlin

Tony Laine, Jacques Lussalle, Marie-Helene Lavallard

Patrick Le Mahec, Roger Martelli, Claude Mazaure

Bernard Noel

Claude Quin

Jack Ralite, Jacques Rey, Jean Ristat

Paul Seban, Lucien Seve, Olivier Schwartz

Georges Tabaraud, Daniel Thomas, Jean-Francois Tournadre, Maryse Tripie

bernard Vargaftig, Antoine Vitez

Suggestions Received on Content

Paris FRANCE NOUVELLE in French 27 Oct-2 Nov 79 pp 34-35

[Text of letters from readers]

[Text] The new weekly, the result of combining FRANCE NOUVELLE and LA NOUVELLE CRITIQUE, which is to appear in February 1980, will be a genuine innovation. It is in fact a new experience for the French Communist Party that the newspaper will not be an official organ, but--in the words of Guy Hermier--a weekly "of communist opinion." It will not be addressed to a particular class, but to all who are concerned about the great political, ideological and cultural problems. FRANCE NOUVELLE is arranging a consultation with its readers on the project. This week we are publishing some of the first letters received. You, too, please write us. Give us your opinion, your suggestions, your hopes.

Letters

In today's world everything is a matter for debate and fighting. To know how to listen to others, to see clearly and still be mobilized is without doubt the hardest thing there is, while everything is being done by the great bourgeoisie to cloud the debates, to divide, to isolate, to demobilize. Although intellectuals are more than ever a decisive stake in the class struggle, one cannot help but recognize the need for a communist weekly having a large audience among that category of readers.

FRANCE NOUVELLE has good experience for continuing its ambitions...For the future, I think the new weekly should be even more on the offensive on the terrain of the ideological war; we see every day with what fitness and what perseverance the great bourgeoisie are "testing" public opinion, launching ideas and men said to be "new," confirming the range of their impact, regulating their fire, maintaining the illusion of pluralism and debate to better hinder the progress of the ideas for change. Intellectuals, like others, are asking themselves many questions today, questions raised by the evolution of the world, of their social status, of the conditions of their professional activities, of their family life, etc., often confused questions in which boldness and impatience are often joined with corporatist withdrawal, questions, however, that expect answers and are open to debate. It is those questions that the new PCF weekly should seize upon, while showing a genuine spirit of research and reflection, demystifying and clarifying without closing

off discussion, being different in that way from those weeklies that are reputed to be leftist. As a militant communist teacher in my institution, I immediately think of several themes that are traditional "buffers" to the advance of our ideas: all problems affecting the ecology, the new growth, energy, etc., our Party's history (beginning with scientific and the necessary reevaluations in that area); the internal life of the PCF; the role of science, the complex and delicate problems having to do with attitudes, ethics (individual, social), etc., the socialist countries...

G.A.
13 Marseille

We would like to see more often the position on the great questions and scientific discoveries.

More analyses, opinions on Party life in business (we are militants in the Social Security Department in Bordeaux), especially on concrete real-life experiences (employers' methods of integrating wage-earners, etc.).

M.L.
33 Merignac

Personally, I do not expect a more intellectual or theoretical newspaper. I expect a more open newspaper, open to debate without taboos and excluding no one, open to interrogation and questions, and not necessarily having clear-cut and inarguable answers to those questions; finally, a newspaper in which every Communist can find an echo of his particularities and his differences...

C.F.
91 Orsay

...FRANCE NOUVELLE, then, is going to combine with LA NOUVELLE CRITIQUE. The new weekly's ambition, you say, is to "win a large audience among intellectuals."

I confess I am afraid this FRANCE NOUVELLE will overuse too-theoretical articles, use the writing of technicians and in that way weary or repel those whose reading time is limited.

Quite simply, I want you not to neglect the militants who, after a day's work extended by meetings or other things, badly need to get information...

E.V.
Paris 10th

I hope the new newspaper will be more lively, lighter, more accessible for the broad public (of which I am one), without ruling out profound studies, of course. I am always afraid that our newspapers are too "inside," that they sometimes make double use of the journals or LA VIE DU PARTI.

It is necessary to preserve and if possible amplify everything that informs us about the world, about the struggles of other peoples. To give us, too, news about cultural life without aiming solely at a public of specialists.

That is all for now. I believe I am not alone in expecting a great deal. It has happened in the past that "new formulas" are a little deceptive. I confidently hope this will not be the case. The letters to the editor will no doubt contribute toward making the point and eventually, to improvement.

G.M.

74-Annecy

Some comments--

Lenin, who must have been aware that it is neither possible nor desirable to make "a clean sweep of the past," recommended that the Bolshevik cadres inform themselves, assimilate science and knowledge, which until then had been the prerogative of the privileged classes.

We are not quite there; but we should not allow the opponent to have a monopoly on knowledge and argumentation techniques, to become attached to better release of material, technical and historical data on the problems that are being raised, on which we claim to debate (steel, for example), so that PCF argumentation will be more credible in its reference to the social and human aspects of things, in the eyes of those for whom these data are information par excellence. In a word, start with that kind of information (information, thoroughly weighed, about the population directly concerned) in order to go beyond it.

Failure to win because of being discredited, which is sometimes irremediable, will be avoided in that way, in places where, better armed, support can be gained.

Moreover, you will also avoid the illusion that risks the appearance of neglecting the technical aspect of things--the illusion that self-management, for example, will present no problems!

For effective dissociation from reformism and conservatism, care will have to be taken to redefine them constantly, with the help of solutions they propose, making the reactionary or harmful character of their positions appear to be the most convincing critically.

In that connection: have done with the sacrosanct fear of "playing into the hands of" or "getting onto the terrain of" the other; have done, too, with "incantatory formulas" that the right and the PSF [French Socialist Party] take delight in, to such an extent that, by definition, these formulas do not harmonize with any demonstration or sufficient justification referring to the subject dealt with.

With regard to our refusing any consensus. Isn't this something to be qualified? Is this the affirmation of a principle?

Is there a pluralist and self-management future without consensus?

Publish more, precisely and circumstantially, on the positions of other Communist Parties, especially on their differences.

No slightly difficult articles without a "glossary" or "clarifying commentary" being appended.

Vary the presentation and style, innovate, of course, but stay readable!...

R.B.

37-Tours

8946

CSO: 3100

NONPARTICIPATION PLOY UNDERSCORES PCF, PS RIFT IN LILLE

Paris LE MONDE in French 31 Oct 79 p 11

[Article by Georges Sueur]

[Text] Lille--The tension between socialists and communists, which is manifesting itself in many more or less acid statements, now seems to be taking a new turn, with the PCF systematically applying what could be called "nonparticipation." Recently, in Lille, we have witnessed two important meetings, that of the presidents of urban communities and that of the leaders of new towns, in which the elected communists practically refused to participate, limiting themselves to statements of principle but shunning the work sessions. In both cases, press conferences were held to alert the public to the "complicity" of the socialists and the government in the search for a "consensus."

Mr Mauroy's Relaxed Attitude

Nonparticipation is not only applied at the time of exceptional demonstrations; it is becoming a daily occurrence in the mayors' offices of the union of the left. Thus it was, for example, that in Lille the elected socialists for some time have been complaining about the total absence of selected communists at committee meetings. Some committees, even those headed by communist deputies (green spaces, for example) are seeing their efforts considerably restricted while the Communist Party is increasing public statements taking the socialists to task, particularly the mayor, Pierre Mauroy, who is accused of speaking with a forked tongue.

On Monday, 29 October, Mauroy held a press conference on municipal problems; none of the communist deputies who had been invited to take part was present. Pierre Mauroy gave his answer with a certain amount of detachment and even a certain touch of humor to a question he was asked: "Can we speak without duplicity of the municipality of the union of the left in Lille?"

"The municipality of Lille," Mauroy said, "continues to be municipality of the union of the left. I am the No 1 leader of the union and the

guarantor of the contract which we signed with the people of Lille. I think that we must consider the attitude of the communists as a desire for supercompetitiveness rather than hostility. Nothing more, nothing less... We must assure the municipal work, for it is true that we are no longer often seeing municipal deputies and councilors of the PCF. They are in a state of flight. What do we do with those who run away? We have to wait until they return: as with the prodigal child, the doors of the mayor's office are wide open..."

"Were this attitude to continue," the mayor of Lille was asked, "would you take away the delegations from the elected communists?" "There is no question of that," Mauroy replied, "You know that runaway children have more need than the others for motherly love..."

The relaxed attitude of the mayor of Lille is doubtless not shared by all his colleagues. In Lille, as in many other cities of the region, the vote on the upcoming budget will be the touchstone for the future of the union of the left at the level of the municipalities.

8143

CSO: 3100

SCHISM MARS REVOLUTIONARY COMMUNIST LEAGUE CONGRESS

Paris LE MONDE in French 1 Nov 79 p 12

[Proceedings of extraordinary congress of the LCR at L'Hay-les-Roses, Val-de-Marne, 1-4 November 1979, in preparation for the 11th Congress of the Fourth International]

[Text] The Revolutionary Communist League (LCR) is holding an extraordinary congress in L'Hay-les-Roses (Val-de-Marne) from 1 to 4 November designed to prepare the 11th Congress of the Fourth International which is to take place at the end of this month. The preparation for these proceedings had been dominated, for the activists of the LCR, by the prospect of a rapprochement between their organization and another Trotskyite party, the Communist International Organization (OCI). Development along these lines came to a sudden end, and resulted in a schism in the LCR.

This development took place on two levels. On the one hand, within the LCR, the guidelines defined by the leadership of the movement over the last few years are being subjected to review after the breakup and setback of the union of the left, without any other policy having been clearly defined. This situation is characterized by the absence of a fixed majority in the leadership sectors of the League since its congress in January 1979 and by an increasingly lively opposition between those of its activists who favor the Trotskyite heritage of their organization and those who feel that the period which has transpired since the events of May 1968 calls for renewal of the analyses proper to the Trotskyite faction.

On the other hand, the unified secretariat of the Fourth International, from which the LCR draws its inspiration, is itself engaged in an effort to unify the Trotskyite movement which in due time was to result in the merger of the LCR and OCI. This venture which interfered with the internal debates of the league disturbed a number of its activists and other factions of the extreme left, such as Workers Struggle, which is also envisaging a rapprochement with the LCR. The debates which took place within the International, and between the latter and the Labertist faction, represented in France by the OCI, had a result just the opposite of that which the unified secretariat expected: last weekend, the Organization Committee for

the Reconstruction of the Fourth International (CORQ), with two factions of the International, set up a coordination committee which condemns the unified secretariat and announces the holding of its own sessions.

This schism, the reason for which, or the cause, is a disagreement on the assessment of the Nicaraguan revolution, as far as the LCR is concerned, will bring about the departure of its Lambertist faction, that is about one fourth of the activists, judging by the votes which preceded the congress.

The election of delegates to the congress, moreover, poses the possible establishment of a majority around the faction headed by Messrs Krivine and Daniel Bensaid (43 percent of the votes). These two men, according to the subjects which will be discussed during the congress, can count upon the support of the faction represented by Gerard Filoche (18 percent of the votes) or of the faction headed by Henri Weber and Jean-Marie Vincent, in particular (13 percent of the votes). Therefore, we can expect the holding of another congress in the near future, which will have the purpose of electing a leadership and, at the same time, ratifying the merger of the LCR and the factions which last summer had left the Communist Workers Organization (OCT).

8143

CSO: 3100

NEW RADICAL PARTY LEADERSHIP EMERGES AT END OF CONGRESS

Paris LE MONDE in French 1 Nov 79 p 12

[Results of the 79th Congress, 12-14 October 1979, Steering Committee session of 30 October 1979]

[Text] Here is the organizational chart of the new leadership of the Radical Party as established at the end of the proceedings of the 79th Congress (12-14 October) and of the steering committee which met on Tuesday, 30 October.

President (elected by the Congress): Didier Bariani'
First Vice President (elected by the Congress): Jean-Pierre Prouteau;
Secretary-General: Andre Rossinot;
Deputy Secretary-General: Herve Lecler;
General Delegate: Francois Garcia;
Treasurer: Louis Macaigne;
Delegated Vice President: Jean-Thomas Nordmann;
Vice Presidents: Jean-Paul Benoit; Henri Fabre; Guy Gennesseaux (FDR [expansion unknown]); Toussaint Graziani; Brigitte Gros; Francis Palmero; Andre Rossi; and Olivier Stirn.
Members of the National Bureau: Pascal Augier, Adrien Bedossa, Henri Bouvet, Corentin Calvez, Jean-Charles Cantegrit, Pierre Cueille, Etienne Dailly, Michel Durafour, Patrick Epron, Yves Galland, Patrice Gassenbach, Alain Joissains, Yves Juhel, Raymond Leissner, Joseph Martray, Jean-Pierre Mattei, Jean-Loup Morle, Jean-Pierre Pierre-Bloch, Paul Sabourin, Didier Schuller, Claude Secret and Patrick Verdure.

(Andre Rossinot was born on 22 May 1939 in Briey (Meurthe-et-Moselle). He is a medical doctor attached to the Nancy CHU [University Hospital Center]. Deputy to the mayor of this city since 1977, he became a UDF [French Democratic Union] deputy of the third district of Meurthe-et-Moselle the following year. He has been a member of the steering committee of this party since 1978. He was one of the founders of the Perspectives and Realities Club of Meurthe-et-Moselle).

8143

CSO: 3100

FRENCH ARMS SALES DISCUSSED, DECRIED

Zurich WELTWOCHEN in German 31 Oct 79 pp 37-39

[Excerpts] Politicians reject critics of the weapons trade as incompetent. Thus, the churches and a few concerned individuals will remain what they have always been: lonely voices crying in the wilderness.

Arms sales--for France it means above all good business. But weapons deals also serve French foreign policy, which pursues "grandeur" as much as ever. Considering these facts, the French weapons dealers need not have any scruples when engaging in these lucrative deals in a big way, because they are not hindered by anyone--to the contrary. Even the left is silent on this topic, because discreet arms sales amounting to billions is apparently a part of major power ambitions. And finally: their own army also profits from them.

"I don't have the slightest intention of putting an end to our exports. I also see no reason for putting French workers out of work because of a moral principle which no nation respects anyhow."

In recent years, a totally new economic argument has gained in significance: securing energy imports by expanding arms sales.

Paris is interested in delivering countries which do not (or not exclusively) depend on one of the two super powers when building up their defense.

What critics call a "scrupulous system of state control of economic life: is for the government nothing more than an instrument to secure its interests and to gain world influence.

Not to be overlooked: arms exports make supplying their own army cheaper.

It is not exactly easy these months to find an industrial branch in France which reports success. The number of unemployed has climbed to 1.4 million and no relief is in sight. This draws special attention to the fact that arms manufacturers are reporting proud successes. They are experiencing as big a boom now as ever. And, what Paris likes especially: French arms are more in demand abroad than ever. Exports are climbing 20 percent per year, according to experts. In 1978 alone, French arms manufacturers registered foreign contracts of over 24 billion francs.

The largest arms dealers of the world are still the United States and the Soviet Union. For years, Great Britain and France competed for third place in this macabre hit parade. But Great Britain's world influence has decreased and with it also the demand for British arms. Today, France holds an undisputed third place, with obvious governmental support. In the 10 years between 1964 and 1974, according to recent calculations by experts at the congress in Quebec, arms sales have increased by 550 percent worldwide. Year after year, the French knew how to get a bigger slice of the pie.

One of the main reasons for this unhalted expansion: France is not very choosy about its customers. In January 1970, then Foreign Minister Maurice Schumann stated: "We don't sell all weapons at just any time to just anyone." But, to be precise, this ultimatum was not true even then. Whoever orders and is able to pay, usually receives the delivery. Not even crisis areas are excepted. On occasion, embargos have been imposed, but they were not strictly adhered to.

Countries whose political systems are considered to be undemocratic are supplied without very many scruples. French arms were not denied to Spain's General Franco, nor to Portugal's President Salazar, nor to the military junta of Greece. At the end of July there were reports that Paris had agreed to a delivery of fighter planes to the Chilean dictator Pinochet. Even neutral countries, especially Switzerland, like to equip their armies with French products; Sweden and Austria are also customers.

The Third World is also well represented. The armies of Zaire, Colombia, Gabon, Peru and Pakistan depend on French Mirage planes. During the Biafra conflict, French arms appeared on both sides, just as in the India-Pakistani war and the last two Near East confrontations. It is interesting that military aid to developing nations in the form of French trainers is being declared in the budget of the minister of cooperation under aid to development.

At the moment, no weapons deals can be concluded with the Eastern block. But the beginnings for it exist. China, as well as Yugoslavia and Romania, have purchased helicopters in France. The official "Revue de la Defense Nationale" described the buyers generously: "Our various exports cover five continents, neutral countries (Switzerland) as well as countries of very different leanings, which, in part, own their own defense industry."

This is identical to the explanation given by former French president Michel Debre, according to whom "France is often called upon because it makes no political conditions, as certain powers do when it comes to arms sales."

Certainly, a few times, when faced with such generosity, Paris got cold feet. For example, the boycott placed by General de Gaulle in June, 1967, against Israel, Egypt, Jordan and Syria which was not lifted until August, 1974 by President Valery Giscard d'Estaing. But this decision was never strictly adhered to. To be sure, Israel had to do without 50 Mirage-V, which had already been paid for. But it, just like its neighboring countries, received spare parts and weapons considered to be defensive weapons (helicopters). On Christmas Day, 1970, the Israelis managed to pirate 5 PT boats from Cherbourg harbor in a notorious "blitz" move.

President Georges Pompidou broke the boycott even officially; in January 1970 he decided on the delivery of 110 Mirage fighters to Libya, a fact which was officially denied for weeks. Then it was said in Paris that Libya had given assurances that these planes would never be deployed against Israel. But already a few months later Tripoli denied having made any such assurances. The consequences are known: During the Yom Kippur War of 1973, Libya Mirage fighters flew combat missions on Egypt's side against Israel. One was automatically reminded of the remark by the proud Mirage builder Marcel Dassault, who said after the 6-Day War that the fact that the 50 Mirage-IIIs in the hands of Israeli air force pilots had given proof of their undeniable superiority, deserved special attention.

A second embargo was also little respected in reality. When Giscard visited Kinshasa, the capital of Zaire, on a state visit in August 1975, he gave several assurances: "We shall never again deliver arms to South Africa." But the president quickly modified his determination. First, he exempted the navy from the embargo, then he agreed to make good on all contracts which had already been concluded. Among those were, for example, 4 submarine boats and 45 Mirage-F1s. Besides that, the South Africans continue to build weapons of all kinds with French license.

But this undivided fervor did not always meet with success. Speculations about the "weapons deal of the century" are still in fresh memory. In mid-1974, the governments of Denmark, Norway, Holland and Belgium were determined to replace their Starfighter fleet with a new, uniform plane. Paris offered an improved version of the Mirage-F1, which was in direct competition with the American F16. Billions were at stake, because the four countries wanted to purchase 350 planes all at once.

The arguments expressed by Paris above all political: anyone who buys from the Americans is a bad European. The rearming of European air forces seemed to be a likely means to pin the neighboring countries down with French ideas of a "European Europe." But the arguments were of no avail. The Europeans ultimately bought the American planes, which, by the way, did no harm to the world renown of the Mirage.

The "European" arguments reappeared last summer, when Belgium was in the market for more than 1,000 tanks. But this time also, the French models did not please Brussels. Belgium's Prime Minister Wilfried Martens said: "The two American tanks definitely proved their superiority in regard to dependability and operational use." The Paris Ministry of Defense, of course, called this judgment idle talk. And LE POINT magazine wrote: "Strictly political considerations determined the choice of the supplier. The decision is an insult to France and to Europe."

But it is primarily specific economic interests that are behind such political arguments. The French weapons industry employs approximately 280,000 workers (one-third of whom work for export). Even the entire automobile industry does not offer more jobs than that. One-third of all arms production is in the hands of government-owned enterprise, which gives the government an added interest in the wellbeing of these branches. Finance Minister Robert Boulin referred to another important factor in May, 1977: "This is one sector which makes an important contribution to our balance of trade." And in fact: In 1970, arms sales abroad constituted approximately 2.5 percent of French exports, in 1977 it was 4.8 percent.

On occasion it is officially admitted that France must be involved in the arms race for economic reasons. Former Defense Minister Robert Galley once explained: "I don't have the slightest intention of putting an end to our exports. I also see no reason for putting French workers out of work because of moral principles which no nation respects anyhow."

His colleague Boulin contributed a further argument to the discussion: "Development of arms sales is not without effect on the development of civilian exports. We can be sure that in many markets, especially those of the Near East, the good reputation of our weapons technology and the presence of the personnel servicing the military hardware has contributed greatly to the development of other materials. The sale of our airplanes has led several countries to order installations for the security of their air space, more civilian equipment than military equipment; this way we also received our orders for trucks, and construction orders."

The effect of military research on the civilian field can also be observed in another area. When Charles de Gaulle furthered the building up of the Force de frappe in the beginning of the 1960's, he laid the foundation for a technological advance in nuclear technology from which France still derives benefits today. The development of uranium for the manufacture of the atomic bomb finally led to the creation of a reactor industry which is competitive even on an international level.

To export also means creating jobs in another sense: The aeronautics industry exists only thanks to large arms orders from abroad. In 1978, 70 percent of their exports were military products, including rockets and helicopters. Without such orders, many a company would have to close its doors. Because civilian exports (not counting the latest success of the

German-French Airbus) are minor. France's airplane manufacturers have to absorb such commercial disasters as the Concorde (16 machines sold) and the Mercure (10 sold).

The L'EXPANSION magazine observed soberly regarding the significance of military production: "Financially and technologically, it is and remains the basis for any kind of development in the aeronautics field." This is true for the government-owned SNIAS as well as for Dassault or turbine-manufacturer SNECMA. According to the sixth Five-year plan, civilian aviation was already to surpass the military in 1975. More than 2,000 Mirage fighters have been ordered so far, only approximately one-fourth of them by the French army--these figures alone show how dependent the industry is on orders from abroad.

Not to be overlooked: arms exports make supplying their own army cheaper. According to Robert Boulin, "the extension of the production series. . . allows better utilization of the development and of the production installations. Greater volume makes production rhythm more even. In fact, the demand in our own army is not continuous. Export makes it possible to maintain a level of production even when our own demand is low." In other words: Without the high percentage of export in the arms production, France's defense policy would be far more expensive. The disadvantage: export orders today are in part so predominant that their own military complain that their own demand is no longer being met to their full satisfaction.

In recent years, a totally new economic argument has gained in significance: securing energy imports by expanding arms sales. France, more than any other Western industrialized country, depends on foreign energy sources, because it has almost no oil and only insufficient coal supplies. An incredible dependency on some Arab countries has sprung up, because today Saudi Arabia, Iraq, Abu Dhabi and a few smaller Gulf states are responsible for 70 percent of French oil imports. No wonder then, that arms sales are being strongly pursued with just these Arab nations. Presumably 60 percent of the total French arms exports are destined for the Arab region today, while between 1963 and 1973 it was a mere 18 percent.

Official contacts and visits between Paris and the Arab capitals have not stopped in recent months. President, prime minister, and minister in charge went to the Orient. Saudi Arabia, Kuwait and Iraq are the most sought-after partners. Paris is making an effort to initiate a Euro-Arabian dialog, to meet the demands of the Palestinians, to buy oil--and, of course, to sell arms.

These efforts are bearing fruit. Saudi Arabia, for example, wants to start its own weapons industry with French help (and French capital); it has meanwhile bought more French tanks than the French army itself. And there was talk of purchasing the new antiaircraft system Shahine, of 38 Mirage-F-III, of 3 helicopter squadrons and of a fleet. Approximately 450 French military advisors are now assisting the Saudi army.

French Exports in Billion of Swiss Francs

	1970	1971	1972	1973	1974	1975	1976	1977
Total exports	70	76	83	94	120	109	116	122
out of those Arms exports	1.7	1.9	2.5	3.0	4.5	4.0	5.0	5.9
out of those Aviation	1.3	1.4	2.0	2.2	3.0	2.8	3.89	3.9
Surface vehicles	0.3	0.44	0.44	0.5	1.0	0.4	1.06	1.7
Ships	0.1	0.06	0.06	0.3	0.5	0.8	0.05	0.3

This list is by no means complete. Iraq wants to equip its entire fleet with material "fabrique en France." Along with Riad, Baghdad is considering participating in the development of a new Mirage-4000 with petrodollars. In recent weeks, contracts amounting to 10 billion francs were spoken of. Jordan has also ordered fighter planes from France this year, various emirates from the Gulf region are listed as customers, along with Egypt. And France always delivers instructors along with its hardware, as long as training is not taking place on French soil. French industry is apparently having a hard time recruiting enough experts to send to the Arab countries.

On the Seine, they do not like to hear these contracts called "oil for arms trade." But there is no doubt that French involvement in the Gulf states also serves the purpose of securing a sufficient energy supply. As early as 1974, Foreign Minister Michel Jobert worked out bilateral oil contracts on the Gulf (which, however, later proved not very advantageous). Also, when Prime Minister Raymond Barre returned from Iraq last summer, it was announced that he came home with "his pockets filled with oil."

To secure jobs and energy supplies, Paris arrives at a third decisive motive: the foreign policy ambitions of its diplomacy. What critics call a "scrupulous system of state control of economic life" is for the government nothing more than an instrument to secure its interests and to gain world-wide influence. Paris is interested in delivering to countries which do not (or not exclusively) depend on one of the two superpowers when building up their defense.

In June, 1972, the official "Livre blanc sur la Defense Nationale" explained this policy as follows: "We can hardly refuse to comply with the requests of certain countries which worry about their defense and which wish to secure it independently without referring to the dominant powers of either bloc. Not to respond to this request would mean to expand the hegemony of the super-powers. . ." This antibloc policy fits perfectly into the concept of *Independance nationale*, advocated since de Gaulle, which opposes dependence on the United States or the Soviet Union with "policentralization."

Evidence for this policy is easily found in the arms sector. At the end of the 1960's, for example, Brazil, Argentina, Peru and other Latin American nations bought French arms in large quantities in order to demonstrate a cautious retreat out of the American sphere of influence. The deals with Libya, Egypt and other Arab nations were justified by Paris with, among other things, demands of its Mediterranean policy. Because for France, the Mediterranean had always been the *mare nostrum*, in which American and Soviet warships actually had no business. Paris sees its policy confirmed, since lately Saudi Arabia and Iraq have been attempting to draw back from the United States and the Soviet Union, respectively.

One essential element remains, in order to explain the eagerness with which France pursues international arms sales: the support of national defense for its own defense. Specialist Jean Klein defined this connection in the magazine "Politique Etrangere" as follows: "Arms sales are the direct consequence of a decision in favor of an independent defense policy which is based on nuclear deterrence and on the national capability to develop and to produce arms."

In concrete terms, this means that France cannot do without large exports, if it wants to be able to afford the weapons industry so essential for its domestic policy. Otherwise, the entire strategy would falter, because it would be excessively expensive. This is even more true when one considers that the cost for the development and building up of a nuclear strike force is horrendous. This obligation has increased since France retreated from military integration in the Atlantic Treaty, because now France is only considered (by NATO countries) to be a supplier on a limited basis. Lack of success in selling Mirage 1974 and tanks last summer was obvious proof of this.

Politicians in Paris naturally make attempts at appeasement when their responsibility in the fateful international arms race is challenged. But their justification is never more than merely a regret that things are the way they are. Typical is a remark by Giscard in May, 1978: "I believe that France would like to contribute to a limitation of arms sales in the world. At any rate, I personally wish it. But this is an undertaking which is based on the condition that all participating parties are in agreement."

French Military Planes

<u>Manufacturer</u>	<u>Type</u>	<u>Maiden Flight</u>
SNIAS	Trans-All	10.2.63
	Fouga 90	28.8.78
Dassault	Mirage III	12.5.58
	Mirage 5	19.5.67
	Mirage F 1	23.12.66
	Mirage 2000	10.3.78
	Sup. Mirage 4000	9.7.79
	Super Etendard	28.10.74
	Alpha Jet	26.10.73
	Jaguar	8.6.68

At times, at least some criticism was heard, for instance in 1976, when a confidential report by the Inspection Generale des Finances spoke of considerable "commissions" (meaning bribes) paid out by the French government. The press also came forth with criticism at times. An example from "Le Monde" of March, 1978: "The French government exposes itself too much when exporting arms. It plans the material. It produces it in a series. It finds the customers. In a certain sense, it is its own bank financing the exports and its own insurance company. It commercializes its products itself or through firms under its direct control. It guarantees customer service. It trains foreign personnel." In view of the "sometimes phony contracts, with which it risks its reputation," this sometimes goes too far.

But there is hardly any mention of moral scruples. To the contrary: Pride can often be heard when export successes are mentioned. Typical is the argumentation in the "Revue de la Defense nationale" of 1971: "The nations which order from France are guided solely by criteria of technical quality and operational efficiency. This is an honor to our researchers and civilian as well as military engineers. . ." This basic attitude has remained unchanged until today.

The left is also remarkably uncritical. It simply wants to see "colonialist, racist and fascist governments" excluded. Regardless of economic considerations, it exercises that much reserve primarily because national independence is more important to the left than anything else. A representative of the communist-inspired CGT union was not ashamed to proclaim in an interview a few years ago that France needs the arms exports in order to gain "the necessary means for the preservation of its national independence and territorial integrity." The CGT magazine LA VIE OUVRIERE even had a headline which read: "In honor of French economy; the arms industry!"

Of all the large societal groups, only the churches dare to raise their voices. Parisian Cardinal Francois Marty in January of 1976 in a sermon in Notre-Dame spoke unmistakably against the fact that "France, based on falsely understood economic pressure, tries to balance its balance of payments by pursuing arms sales." Several times, especially in 1973, the French Episcopate, together with the Protestant church, had demanded a clear reduction of arms production.

But the politicians in general reject such criticism as incompetent--and immediately afterwards go on to the business of the day. Thus, the churches and a few concerned individuals will remain what they have always been: lonely voices crying in the wilderness.

9328

CSO: 3103

ARMED FORCES PROMOTIONS, APPOINTMENTS NOTED

Paris LE MONDE in French 19 Oct 79 p 16

[Text] At the proposal of Yvon Bourges, minister of defense, the Council of Ministers, meeting on Wednesday, 17 October, approved the following armed forces promotions and appointments.

Army

Promoted to lieutenant general: Maj Gen Wilfrid Boone Arbod Borssat de Laperouse.

Promoted to brigadier general: Cols Andre Fayette, Roger Emin, Herve Navereau, and Claude Jutel (appointed adviser to the secretary general for national defense); to intendant general, second class: Military Intendant, first class Isidore Berthet.

Appointed: supreme commander of the armed forces in Antilles-Guyana: Brig Gen Bernard Jacques Le Seigneur.

Navy

Appointed: naval chief of staff: Vice Admiral Philippe Ausseur. (Born on 20 May 1923 in Brest, Philippe Ausseur studied at the Ecole Navale, and served in Indochina in 1946-1949. After several tours at sea, in 1961 he became commander of the rapid escort vessel "Le Bearnais," and in 1966 commanded the frigate "Victor Schoelcher." He was then assigned to General de Gaulle's presidential staff, and in July 1969, became deputy director of the Armed Forces Prospective and Evaluation Center. In 1972, he commanded the squadron escort vessel "Le Bourdonnais" and the sixth division of escort vessels. In 1973, he served as chief of the long-term studies office of the naval general staff.

He will leave his present duties as deputy chief of planning in the naval general staff in January 1980, replacing as naval chief of staff, Squadron Vice Admiral Schweitzer who has reached the age limit for his rank).

Promoted: to vice admiral: Rear Admiral Yves Leenhardt; to rear admiral: Capt Fernand Costagliola (appointed inspector of reserves and mobilization), Maurice Soulet, Georges Bouvard (appointed adjutant to the deputy chief of staff for materiel), and Francis Botreau-Rousel-Bonneterre.

Promoted: Commander of the Atlantic squadron, Rear Admiral Claude Cagliardi; deputy chief of staff for planning, Rear Admiral Christian Brac de La Perriere; adjutant to the maritime prefect of the second maritime region (Brest), Rear Admiral Herve Jaouen; inspector general of maritime education, Professor General, second class Roger Bourbon.

Air Force

Promoted: To brigadier general, Col Jean-Edouard Des Portes de La Fosse.

7679

CSO: 3100

ARMY GETS NEW ASSAULT RIFLE

Paris LE MONDE in French 6 Nov 79 p 16

[Text] The first new FAMAS 5.56 ground forces assault rifles have been issued to students at the regular NCO academy at Saint-Maixent, (Deux-Sevres); the rifles were officially issued on Monday, 5 November, and Tuesday, 6 November, by Gen Jean Lagarde, Ground Forces Chief of Staff. In addition to units in the Navy and Air Force, the Academies at Saint-Cyr-Coetquidan and Montpellier, as well as units of the 11th Parachute Division and of the Foreign Legion will, within the Ground Forces, be among the first to be issued those new rifles in 1971.

The FAMAS 5.56 rifle, christened the "Clairon" [bugle] because of its shape, is already in the hands of the Operational Parachute Group established this summer from three regular regiments of the 11th Parachute Division in the Southwest.

This rifle, built by the Saint-Etienne arms manufacturing plant, to replace the MAS 49-56, is being issued with some delay due to numerous technical difficulties encountered in its perfection. The tests took longer than anticipated. The output rate in the beginning was to be 4,000 rifles per month by the middle of next year and the total order for the French Army was to come to about 400,000 such rifles.

At 1978 prices, the stabilized series-production unit price will be F2,700 with accessories and spare parts.

The FAMAS 5.56 is a weapon weighing 3.7 kg, 76 cm long, firing 5.56-mm cartridges, with a very high initial velocity (950 m/sec); it can fire individual rounds as well as short or long bursts. The ammunition developed by the Mans plant is interoperable (exchangeable) with American ammunition or with NATO ammunition.

5058

CSO: 3100

NCO TRAINING IN ANTITANK MISSILES OUTLINED

Paris TERRE INFORMATION in French Sep 79 p 3

[Article: "NCO Training in Antitank Missiles"]

[Text] Until then the training of NCO's who were MILAN unit leaders was done only in the units equipped with this material. There was then no specific training in antitank missiles at the first echelon level.

This, however, will from now on be assured in the following manner (D.M. No 2411/DEF/EMAT/INS/IS of 25 June 1979):

--Infantry and Marine units: creation of an "antitank missiles" option within the C.T. 1 expansion uncertain of commando-motorized infantry" (00) and of "mechanic-group infantry" (01) specializations which would apply either to the NCO's in training in the schools (ESOA and SOEA) or to the EVSP [expansion unknown] coming from the army corps.

The polyvalence of the training will eventually permit that personnel, at the level of the C.T. 2, either to continue in the antitank missile specialization or to come back to their original specialized branch (00 or 01).

--ABC [expansion unknown]: creation of a "MILAN technical specialization" training session of one week, that would figure in the courses and training sessions calendar under the number 5394/C (some spots will be given to the Marine personnel and in a lesser degree to the infantry).

All personnel irrespective of the antitank training course followed must shoot one missile at the 1st R.Ch./CPCIT of CANJUERS.

The following measures will be progressively put into application:

--From 1979 on: creation of fire training sessions 5394/C offering a total of 80 spots (candidates must be submitted by the military regions to the Military Personnel Direction of the Land Army);

--In 1980: creation of fire training sessions 5394/C (80 spots) and training in school of about 170 SOEA, ESQA and EVSP personnel in the "antitank missiles" option.

Thus, by the end of 1980, 330 NCO's will have been trained in the "antitank missiles" specialization. The effort which is made to reduce the deficit of MILAN unit leaders will be continued in 1981 and 1982.

1751

CSO: 3100

FRANCE

BRIEFS

OIL INCREASE SOUGHT--France is more interested than ever in Iraq's oil. Francois de Wissocq, head of the Office of Energy in the Ministry of Industry, went to Baghdad last week on a mission to obtain an increase in Iraq's deliveries of petroleum to France. [Text] [Paris LE POINT in French 19 Nov 79 p 65]

PARACHUTE REGIMENT DISSOLVED--The forthcoming dissolution of the 9th Parachute Regiment [stationed] at Toulouse is provoking dismay and dissatisfaction among many of the unit's officers. "This step is incomprehensible," they are saying, "at a time when France says it is building up an intervention force worthy of the name." [Text] [Paris LE POINT in French 19 Nov 79 p 65]

CSO: 3100

HEAD OF OIL TALKS DELEGATION REPORTS ON MOSCOW TRIP

Reykjavik MORGUNBLADID in Icelandic 2 Oct 79 p 3

[Text] "The Soviet enterprise Soyuzneftexport has maintained that it is fundamental to sell refined oil products only at the Rotterdam price, and it feels that it cannot alter this basic premise because of us. The Foreign Trade Ministry said that it could not influence the enterprise's policy on prices," said Foreign Trade Director Thorhallur Asgeirsson of the Commerce Ministry when MORGUNBLADID asked him yesterday about the trade discussions in Moscow last week. He was the head of the general trade delegation to Moscow, as well as of oil purchasing delegation.

"When we realized that we could not change their mind about prices, we tried to discuss crude oil sales but were turned down," Asgeirsson said. "We pointed out that additional amounts were not involved and we tried to get them to negotiate a sale of crude oil that they would later refine for us, thus avoiding the Rotterdam price without violating their basic principle. But they declined to give in."

MORGUNBLADID asked whether they had cited the report of the oil trade delegation in connection with the point about the Irish firm having made the Russians switch from the sale of refined products to the sale of crude oil. Asgeirsson said that the Russian reply was that they sell only refined products, not crude oil, to Ireland.

With regard to the role of Aleksey N. Manzhulo, the deputy foreign trade minister in charge of trade with Western Europe, in the talks, Asgeirsson said that he was quite familiar with trade with Iceland from his own experience and that he had come here for discussions in 1968, among other things. "He has often shown a personal interest in trade with us," Asgeirsson said, adding: "We presented our complaints and asked the ministry to exert some influence in the matter, but, as mentioned before, we received the reply that the ministry felt that it could not influence Soyuzneftexport at all."

MORGUNBLADID asked Asgeirsson whether the Soyuzneftexport representatives had been reluctant to extend the deadline, but as we know, we received a 6-week extension to make up our minds about the Soviet offer. "We did not ask for the extension until we could see that they were going to be inflexible about prices. They seemed satisfied with our idea of an extension and agreed right away to it," Asgeirsson said.

MORGUNBLADID then asked him whether there were any indications that the Russians wanted to maintain these oil deals or not. "The representatives of Soyuzneftexport indicated that it was not a major objective to hold onto these deals, but I cannot tell whether that is the prevailing view elsewhere," Asgeirsson replied.

MORGUNBLADID asked Asgeirsson about preparatory talks on a new 5-year trade deal. "We put forth our requests in the form of a list of Icelandic products for 1981 to 1985 and which entails a sizable price hike for salted herring, woolens, canned goods and paint. On the other hand, there was no request for an increase in frozen fish," Asgeirsson said. "We also presented our requests for crude oil purchases. These issues will be further discussed next year when a Soviet trade delegation arrives here."

Finally, MORGUNBLADID asked Asgeirsson whether the Moscow talks had shown that it would affect other deals if we discontinued oil purchases from the Soviet Union. "There was no discussion of possible linkage," Asgeirsson replied.

MORGUNBLADID also tried to talk with the managers of the three oil firms that took part in the Moscow talks. Onundur Asgeirsson and Indridi Palsson were out of the country yesterday. Vilhjalmur Jonsson declined to say anything about the talks and refused to answer this paper's questions regarding them or about his assessment of where things stood at their conclusion.

8743

CSO: 3111

CONSERVATIVE PAPER COMPLAINS OF OIL BOARD, MOSCOW TALKS

Reykjavik MORGUNBLADID in Icelandic 5 Oct 79 p 16

[Editorial: "Iceland's Oil Interests"]

[Text] We should be glad now that the media have received part of the oil trade delegation's report concerning its results and proposals. At the same time, we must demand that the entire report be made public because the information that it contains is a necessary basis for discussion and the formulation of opinions regarding this major issue. The report was, in fact, supposed to be published in its entirety before the delegation traveled to Moscow the other day, since its content could only strengthen our bargaining position. Any such secrecy in a major issue like this is undesirable.

The report discloses that the pricing arrangement used was favorable to Iceland last year but that then new developments in the oil trade turned things completely around for us. The report reads: "...because of the connection between Iceland's oil imports and Rotterdam, they paid 70 percent more for oil products than the average on the Western European market." This is the heart of the matter, and confirms the topic of the debate that began last February when Geir Hallgrimsson, the leader of the Independence Party, called for a revision of this pricing arrangement in the Althing in light of developments that were already under way.

In addition to the possibility of a different price arrangement, the report discusses as an alternative for improved terms of trade, the purchase of crude oil instead of refined oil products and a search for other refining bids. Incidentally, Iceland is the only country in Europe that buys solely refined products. So far, they have discussed a different pricing arrangement for refined products with the Soviet Union, nor the sale of crude oil. As a matter of fact, the Soviet Union claimed that it did not have any crude oil available. This assertion contradicts the fact that they are selling crude oil, not refined products, to Ireland. It is

ridiculous to try and make Iceland believe that the people who refine crude oil do not possess it! Such assertions arouse suspicion. The investigations of the oil trade delegation into possible crude oil purchases elsewhere than in the Soviet Union are still in their preliminary stage; however, the report indicates "that crude oil will in all likelihood be available to Iceland no later than 1981, but on the other hand it is considered doubtful that any considerable quantity will be obtainable next year."

The oil trade delegation has done a good job in a short time. It will continue its investigation, but discussions with the Soviet Union have been postponed 4 to 6 weeks. On the other hand, it is a shame how long it took the commerce minister and the government to react to this matter, as the opposition had discussed it in the Althing at the beginning of this year, and MORGUNBLADID had harped on it with various arguments and strong hints that got little reaction from leaders but sarcastic comments from interested parties and the Communists. It was a shame that the commerce minister rejected the suggestion of his fellow ministers that he accompany the talks delegation to the Soviet Union, which would have made our case stronger. As far as we know, the Soviet minister of Western relations took part in the discussions and judged them to be on a sufficiently "high plane" for himself, unlike the Icelandic minister. In the published part of the report, the majority of the delegation suggests that Iceland join the International Energy Association (IEA), which would enhance our security as far as oil is concerned, especially if there are unforeseeable changes on the oil market. Future possibilities are also discussed, i.e., streamlining procedures to search for oil offshore. Finally, they discussed the exchange of domestic energy earmarked for heavy industry for oil products.

MORGUNBLADID reiterates the demand that the report of the oil trade delegation be published in its entirety. The paper is glad that the delegation will be continuing its work and urges that the time gained by extending the deadline be used wisely. We favor Iceland's membership in the IEA. We consider it self-evident that offshore oil potential should be explored in Icelandic territory, within the limits dictated by the need to protect ocean life. Finally, the Icelandic Government should reduce the outlays that households have to make for taxes, not the least of which are taxes on gasoline, inasmuch as the state takes 56 percent of the final price of gas. It is not fair for the Icelandic state to make a profit from the Soviet petroleum exploitation at the expense of the people, but it is the more serious lack of administration leadership and slumbering that has placed us in the hands of the Soviet exploiters and that has forced the public to experience poorer

living conditions as a result. The oil trade delegation points out that it is out of the question to renew unchanged the oil agreement with the Russians, as it is 70 percent less favorable than what other Western nations are living with. This is, in fact, the number one issue of economic independence at present. We hope that the Russians will admit their mistake. Our trade balance with them is grossly unfavorable to us. We hope to maintain an oil trade with them, but in order to do this, we must balance the scale.

8743

CSO: 3111

ENERGY CONSERVATION BOARD ISSUES SAVINGS SUGGESTIONS

Reykjavik MORGUNBLADID in Icelandic 5 Oct 79 p 17

[Text] An energy conservation committee has collected several suggestions for energy saving, and the following are some of them. It points out several ways to cut down on oil expenditures, among others.

Because of our particular electricity situation today we must cut down on its use as much as possible. Reduced consumption over the next two winters is the equivalent of reduced oil consumption. Around 20 percent of our power output goes for general home use and heating. Estimates are that a 10 to 15 percent cut in electricity consumption in households could save about 2 billion kronur this winter because of reduced oil-generated power output if the weather continues to be unfavorable.

The report of the energy committee chairman that deals with the heating of houses discloses among other things:

We should cut the average indoor temperature by 1 degree, which represents a 6-7 percent savings.

Improved supervision of heating systems provides most of the savings, or 15 to 25 percent.

Upkeep and regulation of oil heating equipment yields 7 to 15 percent savings.

Storm windows provide savings of 15 to 20 percent.

Loans are regarded as urgent for renewing household insulation, especially in oil- and electrically-heated areas. If we assume that the Housing Institute received an allocation of 1 billion kronur for loans involving energy conservation measures and loaned out the equivalent of one-third of their cost, estimates are that foreign exchange savings from such measures would amount to as much as 1

billion kronur a year. They also point out that oil conservation loans should be conditioned on regulation of heating tanks.

It is a government goal that 80 percent of the houses that were heated by oil at the end of 1978 will be heated by domestic energy by 1983. The estimated foreign exchange savings from reduced oil purchases when this goal is achieved total 10 billion kronur a year.

Public Transportation Improvements Important

The committee considers it one of its most important projects in the area of energy conservation to support and improve public transportation in the country. It feels that the state ought to eliminate the import duties on new buses and parts for them. It also feels that before making purchases of expensive buses, all possible solutions to the rush hour problem should be considered. (line or lines missing)... increased cooperation with owners of long-distance buses and taxis. Furthermore, the committee contends that if each car owner in the Reykjavik area would commute to work once a week by bus or in a car pool, the nation would save about 1 billion kronur a year.

A gas savings group has been formed, and it includes representatives from the oil companies, the Transport Institute, the Reykjavik Transit Authority, the Automobile Association and the FIB [expansion unknown]. These representatives, along with the committee, will be working on a publicity campaign planned for this month. The following suggestions are given with regard to driving, among others:

Uneven speeds, unnecessary acceleration and overly aggressive driving can increase fuel consumption 15 to 30 percent.

An untuned engine and irregular maintenance, 2 to 20 percent.

An increase in speed from 70 to 90 kilometers an hour, 20 to 25 percent.

Fast driving in low gear, 20 to 40 percent.

If each car owner reduced his gasoline consumption 10 percent, the overall gasoline expenditures would drop 4 billion kronur a year. Concerning the use of cars, they also point out that short trips are especially costly and that it is healthy to walk sometimes, costing no more than wear on the shoes.

They mentioned car-pooling and pointed out that people who live in Reykjavik but work in Keflavik have been doing this for a long time. There is no reason why residents of Breidholt, Mosfellsveit or Hafnarfjordur who work in downtown Reykjavik cannot car-pool as well.

One person provides the car, and the others pay a reasonable fare, or people can alternate driving and thus avoid money complications.

Aside from these points, they indicate that the bicycle is a practical means of transportation and that duties on it have been eliminated. It is important to set up bike lanes in as many places as possible and to guarantee the safety of bicycle riders.

Billions Saved in the Fishing Industry

About 60 fishing vessels are burning black oil, which saves about 4 billion kronur a year in foreign exchange when compared with gas oil consumption. Other energy conservation measures in the fishing industry are on the agenda, some of which are:

The use of cooling water and discharges for heating.

Oil consumption is taken into consideration in deciding on boat speed.

Suitable vessel resistance and good propeller condition.

Normal engine size.

Controlled growth of vegetation on the bottom of vessels.

Use of land-based electricity in harbors when it has been a good year for water.

Tuning of engines.

Savings through organized steps in this field are valued at billions of kronur.

Regarding energy conservation in industry, they mention that fish meal factories are the largest oil consumers, and the Fisheries Ministry has had a study done on energy conservation in fishing and the fishing industry and has arranged a meeting among the interested parties to discuss it.

Various measures aimed at a more economical utilization of energy by the public sector have already been taken or are planned for the near future, for example, adapting the engines of state-run ships to take black oil, and using black oil instead of gas oil in all major schools in the country is under consideration. The committee has also discussed how to save fuel in the maintenance of state-owned cars. A meeting was held among the representatives of the Automobile and Engine Committee of the State, and this issue is now under consideration.

In addition, the committee considers it necessary for positive energy conservation results to have each rural association directly involved in these measures. It has written to all rural administrations and indicated several points in this connection. The committee hopes that reaction is positive.

Price of Electricity Will Lead to Energy Conservation

In conclusion, the committee mentioned the importance of pricing energy in a way that contributes to conservation. Measures have been taken to revise future prices. The committee has been working with the so-called Rarik ceiling formula. Since the cost of distributing electricity depends on the demand for power, it is important to keep the power ceiling as low as possible. One way to do this is to price excess consumption so that consumers will not exceed their power limit unless absolutely necessary. Excess consumption is now priced in accordance with a so-called household formula.

Nationwide Effort Needed for Results

The Energy Conservation Committee has issued a report with many suggestions on how to save energy. At a government meeting on 25 June an agreement was reached on energy conservation and its more practical use. The committee has worked with the Ministry of Industry for a further broadening of the plan that is submitted to newsmen yesterday. Some measures are planned for this month (lines missing)... that a nationwide effort is needed in order for the measures to yield the desired results. This is a major issue of interest to the public, since some of these measures lead directly to improved living conditions, while others are indirect because they involve more practical operations for the country's work sectors, according to the committee's conclusions.

The committee report takes up several points about saving electricity and house heating and reducing transportation costs, for example, cars and in fishing and industry, and there are also suggestions for cutting the operational costs of state and rural associations. It also discusses the role that school children can play and has decided to send suggestions to primary schools on how students can be assigned projects, for example, monitoring electricity and oil use at home, the gasoline consumption of the family car, etc.

There will be an information campaign this month on energy conservation, with films on TV about energy harnessing in Iceland, in addition to publicity, speeches on radio about energy matters and the practical use of energy. The program "Direct Line" (to be presented on radio on 28 October), during which listener questions on energy conservation will be answered, will also be aired. News reports and publicity will

be appearing in the papers; information booklets will be published; meetings will be held and speeches given concerning energy conservation. At the end of the month, the activities and scope of the Energy Institute will be explained.

8743

CSO: 3111

FLUGLEIDIR CHIEF SEES STRONGER COMPANY

Reykjavik MORGUNBLADID in Icelandic 2 Oct 79 p 2

[Text] "This is a formal turning-point for Flugleidir, even though it is just pro forma," said Sigurdur Helgason, the director of Flugleidir, in an interview with MORGUNBLADID yesterday when he was asked about the change in the firm's activities now that all of the operations are under Flugleidir instead of Loftleidir and Flugfelag Islands.

"As of 1 October," Helgason said, "all flight operations will be handled by Flugleidir; previously, they were handled by Loftleidir and Flugfelag Islands. We are now taking this step and thus all personnel are now Flugleidir's, and all of the pilots and crews who were previously under contract with Flugfelag Islands and Loftleidir as well. There is really no change, except that everything goes under the name of Flugleidir, and the foreign name of the firm, Icelendair, is now being used overseas, and foreign countries have been notified of the change."

MORGUNBLADID asked Helgason whether this step meant that, for example, there would be combined transportation of airplane maintenance personnel between Reykjavik and Keflavik, to which he replied that that would be their aim, as it would be too costly otherwise. When asked about the issue of the maintenance personnel and their coordination, he said that time of service and experience with various aircraft would be taken into account.

"This is a final step," Helgason said, "in the merger that started in 1973, a natural development in that direction, and it should have come earlier. The firms have now merged for the future, and we hope that it will eliminate partisanship and imaginary private interests."

8743

CSO: 3111

LOFTLEIDIR, FLUGLEIDIR MERGE IN REVIVAL TRY

Reykjavik MORGUNBLADID in Icelandic 4 Oct 79 p 19

[Text] Flugleidir assumed all of Flugfelag Islands' and Loftleidir's operations on 1 October, thereby merging into a single company. This is the final step in the merger between the two companies that began in 1973, according to an announcement from the Public Relations Department of Flugleidir. It also said that 1 October would be a historic date in the history of Icelandic aviation, a date when fruitful cooperation between Loftleidir and Flugfelag Islands ended and Flugleidir began.

The announcement outlines the reasons behind the formation of Flugleidir and the merger of the companies. Among other things it says:

In the early winter of 1972 the two companies received simultaneous letters from the then minister of transportation asking them to undertake negotiations aimed at curtailing harsh competition in overseas flights, which was jeopardizing their operational security. The letter said that if nothing positive were forthcoming from the companies by the end of November, the ministry would ask the Aviation Administration for proposals regarding the division of routes between the aforementioned companies.

The spokesmen for the companies decided, after deliberations, to start discussions, but they also asked the transportation minister to have the government appoint an impartial party to aid them. The ministry responded to this letter and appointed Brynjolfur Ingolfsson, the ministry director, to head up the discussions. The letter also says: "Moreover, the companies must formulate a plan aimed at closer cooperation and a merger within a given number of years if it is considered practical after examination." The negotiations ended in April 1973, and on 28 June of the same year the framework for the pact was agreed upon at a meeting between the two companies. Flugleidir was formed on 20 July and began operations on 1 August 1973. At the formation of Flugleidir the decision was made that the companies

Loftleidir and Flugfelag Islands should continue to operate for a while but that Flugleidir should be in charge of all operations other than those involving the aircraft themselves.

In March 1978 the administration of Flugleidir Inc decided to aim at taking over all of the operations of Loftleidir and Flugfelag Islands as of 1 October 1978. This policy was confirmed and supported at the general meeting of Flugleidir Inc in April of the same year. This was delayed for 1 year for several reasons. The letter to the Transportation Ministry of 9 July 1979 asks that all of the permits for aviation activities and all rights to domestic and overseas flights granted today to Flugfelag Islands and Loftleidir be issued in the name of Flugleidir Inc as of 1 October 1979. On 15 August 1979 Flugleidir was informed that the Transportation Ministry had agreed to this arrangement and that it would be granted permission as of 1 October 1979 for a 5-year period.

It was announced at this time that the name Icelandair would be used for the company in overseas markets, according to the release from the Public Relations Department of Flugleidir.

8743

CSO: 3111

SOVIET OIL COSTS, GEARED TO SPOT MARKET, CAUSE HAVOC IN ECONOMY

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 19 Nov 79 p 14

[Report by W.A., Stockholm: "Moscow's Oil Iceland's Nightmare"]

[Text] A kind of political coup has occurred in Iceland, triggered by a long familiar "arch foe" of the small island republic in the Far North: Inflation. It sent the government down to defeat and compelled the calling of early parliamentary elections, now set for early December. The reason: The farmer, social democrat and communist coalition partners could not agree how best to deal with the inflation now running at about 60 percent annually. The government had tried a 15 percent devaluation of the krona, price subsidies and foreign exchange restrictions--nothing had worked. The budget savings aimed for were defeated by Iceland's total dependence on fish exports, the maintenance of an inflation-bearing wage-price index and an officers strike which immobilized the merchant fleet for many weeks. On top of everything else the Soviet Union asked the small people of fishermen for increasingly high oil prices, dictated by the Rotterdam spot market. It is this last problem which currently causes the greatest difficulties for the Reykjavik Government.

Iceland has no refineries of its own. For years the Soviet Union has supplied 70-75 percent of the oil to keep Iceland's fishing fleet going. Initially that appeared to be excellent business, because the Soviets in turn purchased a substantial proportion of Icelandic catches and, at the same time, were content to receive for their oil the daily price recorded in Rotterdam. However, when in 1973/1974 the Organization of Petroleum Exporting Countries (OPEC) first began to hike prices and the second drastic price rise followed early this year in the train of the Iranian upheaval, Rotterdam more and more assumed the nature of a nightmare for the Icelanders. By June 1979 Iceland was compelled to pay the Soviet chief supplier prices which were about 70 percent higher than the oil import costs of other Western countries. At least that was the finding of a parliamentary study commission which, headed by Iceland Central Bank Governor Johannes Nordal, was appointed with the assignment "to find potential import alternatives."

In September last a government delegation went to Moscow to ask whether next year's deliveries could possibly be made on a different price basis. The Icelanders were thinking of prices at the OPEC level, that is on terms similar to those applying to Soviet oil deliveries to Finland. However, the Moscow negotiating partners returned a flat no. Their response was equally negative with regard to the question whether Iceland could have the Soviet crude refined in Western refineries, because the latter operate at slightly lower prices. Moscow merely stated its readiness to keep to the same volume of deliveries. The price, though, must continue to be determined solely by the Rotterdam spot market.

Ever since Reykjavik has frantically sought possible alternatives. Iceland is contemplating accession to the International Energy Authority of which most Western consumer countries are members. It is also thinking of asking the British and Norwegians for oil and of beginning test boring in its off-shore waters, though earlier seismic probes at the northern coast were not particularly promising. Other options considered in Reykjavik are the possible use of the tremendous hydropower reserves, the volcanic geysers and sulfuric hot steam sources to attract foreign firms with a view to establishing subsidiaries on the island. The idea here is the production of "energy intensive industrial goods" for possible exchange against oil products, failing which it is impossible to guarantee the smooth operation of the fishing fleet. The sheer extent of this catalog of anxieties tends to show all too clearly how much Iceland feels harried by the Soviet Union.

As instant solutions can hardly be expected, and the search for alternatives is bound to be lengthy, Iceland is unable simply to turn its back on the Soviet Union. In fact the Soviet Union has now presented its hapless customer (who, to Moscow's disgust, continues to be a member of NATO) with what amounts to an ultimatum: By the end of November Iceland must definitely decide whether next year also it will meet the major portion of its oil needs by Soviet deliveries and pay the Rotterdam spot price for every tanker load. This year Reykjavik will be presented with an oil bill amounting to about \$150 million, nearly double the 1978 figure. It is therefore confronted with an extremely difficult decision. At least the Soviet Union has so far been a reliable supplier, and that is a fact which, given the many imponderables of the international oil market, Iceland cannot simply ignore, unless the neighboring Britons and Norwegians were to come to the rescue of the sorely tried fishing people.

11698
CSO: 3103

IRISH TERRORISTS' CONNECTIONS WITH MIDDLE EAST

Rome IL SETTIMANALE in Italian 10 Oct 79 pp 22-23

[Article By Luigi Romersa: "The Provo Resembles a Fedayeen"]

[Text] The IRS terrorists are no longer the same as in the past. They go to school in Palestine, they are financed by the Arabs. With a record of more than 4,000 dead, through ruthless terrorism, Ireland greeted John Paul II during his stay on the Emerald Isle, before he left for the United States, where on 2 October he spoke before the United Nations General Assembly.

The climate of terror has increased since the assassination of Lord Mountbatten and 18 British soldiers and there has also been a change in the strategy and the effectiveness of the IRS, the Irish Republican Army, which a few years ago, with its leaders in jail and its clandestine detachments pared to the bone, was at that time given up for dead. With the sending to Belfast of numerous secret agents of the Special Branch and of the Intelligence Service, the British General Staff had managed to infiltrate its men into the various terrorist detachments, to identify the key units and learn the secrets of the of the organization which, disoriented and dismembered, no longer gave any sign of life. The year 1978 was the year of the most acute crisis, which was followed by a radical transformation of the structures and of the methods of struggle, accomplished by a certain Gerry Adams, a 31-year old man, the proprietor of a bar in Belfast and already the head of a terrorist brigade, who proposed revitalizing the IRS and tightening its relations with the Palestinian guerrillas and the remaining members of the German Baader Meinhof gang, who had been called to Ireland as technicians and instructors in urban guerrilla warfare. Adams, who chose as collaborators three men unknown until then (Ivor Bell, Martin McGuinness and Brian ...), soon became a sort of Khomeini of Irish terrorism: he imposed on his men very rigid moral rules and he created secret tribunals which, as far as sentences, are concerned, did not fall short of the Iranian ones. The law of the IRS, in fact, has just one article, the death sentence, applied with immediate decisions both in the confrontations with the enemy and with the guerrillas held guilty of desertion or treason.

New Technique

Now we are hearing the revelations of a former IRS leader, Peter McMullen, who, after having organized attacks against the British barracks and having been involved in the supplying of arms, because he had refused to carry out a mission which he defined as "useless slaughter," was sentenced to death, although he escaped miraculously by taking refuge in the United States. From his American hiding place, which is not too secure given the existence on that side of the Atlantic of numerous sympathizers of the Irish terrorists, Mullen /sic/ supplied information on the changes which have occurred at the top of the IRA and he indicated that the murder of Lord Mountbatten was the beginning of an absolutely new combat technique, using more dedicated young men and specially trained technicians. Moreover, it was when the Marxists Gerry Adams and Ivor Bell took over the leadership of the clandestine Irish movement that there was a tightening of relations with the Palestinians and with Qadhdhafi, who has placed at the disposition of the Provos of Belfast arms of every type, money and training camps (in the vicinity of Tripoli and Bengasi). According to Mullen /sic/ Libya is supplying the IRA with economic aid estimated at \$5 million per year.

According to a high British official, the Irish guerrillas, in the matter of war technology, are said to be superior to the British forces who have been sent to the Emerald Isle and to the 6,000-man police force helping them. Since last summer, the Provos, that is the hard core of the Republican movement, have made considerable progress, especially regarding explosives and training, which is carried out mostly in southern Lebanon and near Libyan barracks together with units of the Palestine Liberation Organization and with Germans of the Baader gang. The agreement with the latter was reached a few months ago during a secret meeting which took place in Wiesbaden.

There is no doubt that, at the moment, the IRA has an operational independence which it did not have in the past, due to the presence within its ranks of electronic technicians and engineers recruited from the universities and specialized schools of the island. The escalation for the manufacture of continually more sophisticated deadly weapons goes on unabated and this is demonstrated by the two attacks carried out in Sligo and at Warrenpoint, the first against the former viceroy of India and the second which cost the life of 18 British soldiers. Technology is now at the service of terrorism. Two years ago, the IRA was using homemade weapons and it had structures of the type of those of all the armies, with companies, battalions and brigades, more adapted to demonstrations in the public square than to operations of urban guerrilla warfare.

The Professionals

Gerry Adams dismantled the old structures, trained professional "fighters" and recruited his Provos in the college of Northern Ireland. He personally inspected the new recruits and entrusted them to the Active Service Unit, a clandestine school where they learn to use radios, the most modern electronic

technology, secret codes, and arms and explosives which sympathizers and "allies" supply liberally to the IRA. At the end of the training, the guerrillas are scattered in cells of two or three individuals at the most, independent of each other, in such a way that if ever one of the members is captured and forced to talk he could not supply either the names of the camps nor the secrets of the organization. The men of this closely woven terrorist fabric operate in Ireland and in England, where each of them gets a job, becomes, perhaps a member of a club and frequents certain pubs like any honest British citizen. They are agents whom we could describe as in retirement until the moment when they receive the order to carry out a given operation. For this reason, they are called "sleepers," like a sleeping car, and after each attack the "sleeper" returns into the shadows and to his usual occupation.

According to information in the possession of the British police, the Irish Khomeyni by the end of this year would like to wipe out the British royal family, with the exception of the Queen and the Duke of Edinburgh. In particular, the terrorists have in their sights Prince Charles, Prince Edward and the Princesses Anne and Margaret. The young Prince Edward was already presumed dead on board Lord Mountbatten's boat because on the yacht there was actually a sailor, Paul Maxwell, of the same age who closely resembled him.

In addition, the terrorists have targeted the royal residences, all of them, with no exceptions, from Buckingham Palace to Windsor Castle. With the support of whatever remains of the Baader gang, Adams is proposing also to launch deadly attacks against the British forces stationed in Germany.

The Supplies

Linked to the Palestinian groups, to the Japanese of the Red Army and to the Basques of the ETA [Basque Fatherland and Liberty Group] the Irish Provos have brought international terrorism back to the foreground. Supplied by the countries of the East, by Libya and by other countries of the Middle East which obtain weapons from the Soviet arsenal, the men of the IRA receive their supplies in fishing boats, in disguised cars and even in airplanes, one of which, full of Russian weapons, was some time ago halted at Sciphol Airport, in Holland, when it was about to take off for Dublin. However, materiel arrives in abundance even from America, where many of the 20 million Americans of Irish descent make no secret of their sympathies for the IRA.

Among the terrorist organizations on a world scale, the Irish one is without a doubt among the richest; in addition to what it receives from its supporters, it has actually an income which enables it to maintain, just about everywhere, conspicuous banking funds of several tens of millions of dollars.

CDA, VVD DISAGREE ON 'SPECIFICATIONS '81' PROGRAM

Amsterdam ELSEVIERS WEEKBLAD in Dutch 20 Oct 79 pp 33-35

[Article by Johan van den Bossche: "The CDA [Christian Democratic Appeal] Swallows Specifications and Spits Out the VVD [People's Party for Freedom and Democracy]"]

[Text] The CDA and the VVD don't love each other any longer. To determine that, an extremely dry 3-day debate was necessary in which it became clear that CDA Parliamentary Chairman Lubbers had suddenly started to feel deeply ashamed over the cabinet note Specifications '81 once signed by him. In spite of the brilliant abracadabra by which he tried to insist on the contrary, Lubbers quit the matrimonial bed and flattered himself into the arms of opposition leader Den Uyl. The ethical awakening once launched by Van Agt does not apply to politicians.

The Van Agt cabinet last week easily survived the first big skirmishes over the national budget. And it does not look as if this government will break its back over it within a foreseeable period. Which is not right, for that matter. For Van Agt's club, which was able to keep the jacket of Specifications '81 standing only through brilliant mumbo jumbo, in a real democracy should simply have been voted out last week. For that matter, in an even truer democracy it would have withdrawn itself already at the time when the minister of finance had the idea to farm out the completion of the draft budget. Even if that "temporary worker" is a CDA member and has the name Lubbers. Get rid of the draft budget; it really looks bad.

It is, however, indisputably the best way for a cabinet to save its own skin, and undoubtedly that was the guiding principle also with this government team. But as far as we know that was not the most important objective of Specifications. It was indeed not mentioned there. What was mentioned, was that the government expenditures until 1982 would have to be cut back by around 10 billion guilders -- so playfully translated at the time by Wiegel as "rubble removing." What was also mentioned, was that unemployment should be brought back to 150,000; that there should be a recovery in industry profits; that the financing deficit had to go down to 4 - 4½ percent, and that the purchasing power of John Average should be preserved.

We're noting the objectives, primarily because it is starting to look as if the government wants to sacrifice all these objectives to the most sacred cow we currently know in the Netherlands: /preservation of John Average's purchasing power / [in italics]. For how long? Well, for as long as it will work, of course. But that won't be much longer than 1981; then that purchasing power will have to go. Primarily because the only real effort this cabinet is still taking pains about, is the moving forward of the rubble to later years. In the form of new, higher collective burdens, to which John Average, however, will also have to contribute by means of higher taxes and/or premiums. Unless he would like to become unemployed, of course, but in that case the bill will be presented to Peter Minimum.

That is precisely the dilemma we are facing at present, but on which painstaking silence has been maintained in the most recent debates. Completely unjustified for that matter, for why shouldn't Peter and John be allowed to know that it can be done only once more and that afterward it is really finished? Not because the subject material is too difficult, for sooner or later that will be translated into the pay envelope anyway.

Discharged

Just an example to indicate to what extent the "art of covering up" by this cabinet and its buttresses, the CDA and the VVD, has increased. Specifications '81 mentions a cutback of government expenditures by 10 billion guilders. During the course of the 14 months that this view has become known, a tatter of 1 billion guilders has been ripped off -- partly through the influence of CDA member Lubbers. Thus only 9 billion guilders remain, since no other cutback has been found as yet for the 1 billion guilders lost meanwhile, in spite of stubborn promises. But actually the situation is much worse yet. Due to the fact that a number of objectives of Specifications are diametrically opposed to each other (just think of the profits which do not improve and of the number of unemployed which threatens to increase as a result of that), the Van Agt cabinet has decided on a supplementary policy of over 2 billion guilders for industry.

At least for 1980. Certainly, but also for the years afterward. For, two for one: either the government refuses to make the same amount available for 1981, or it provides that amount again. In the first case, that unemployment which has been prevented with this measure will originate precisely then; in the second case the supplementary policy has been structuralized and neither 10 billion guilders nor 9 billion guilders, but only 7 billion guilders are cut back.

In order to be able to cover that up -- and that has been done during the last debates -- one has to have at one's disposal, as a government, the baroque but terribly tiring linguistic usage of Prime Minister Van Agt as well as the united help of the CDA- and VVD- Parliamentary Group Chairmen Lubbers and Rietkerk.

Well now, that help came about naturally, even if it was only because the fact was not put on the table. Understandably, for it would have effectively proven the bankruptcy of Specifications '81. Even a cabinet leader who derives his strength from the carefully constructed image that he is no longer entirely of this world, would have had to cut back an additional 3 billion guilders. Which would have meant a head-on collision with John Average, for his purchasing power could no longer have been maintained already in 1980. Plus undoubtedly just as great a collision with the CDA parliamentary group, which is making continually more stubborn attempts to push aside opposition leader Den Uyl as sovereign herdsman of a bulging herd of sacred cows. And the CDA would sacrifice anything for that, even its credibility.

An example. This cabinet has conceived the nice plan to convince the Dutch citizen of the necessity of curbing wages, unitedly supported in that by the CDA and the VVD. The only thing is, there was a great possibility that that citizen couldn't care less. In that case, as CDA leader Lubbers recommended at the time of the Progress Note last spring, the cabinet would have to decide to decrease the state contribution toward social provisions. Entirely according to the picture: "Citizen, you are not listening, for you are not moderating. Now we, the government, will cream off what you received too much by decreasing the state contribution, so that you will have to start paying more premiums."

As mentioned, it was an idea suggested by Lubbers himself which found a fertile soil in the thinking of Minister Andriessen of finance. And one which the latter indeed wanted to utilize in drawing up the 1980 draft budget. Moreover, it was a view which was shared by the entire cabinet, with the exception of Minister Albada of social affairs. The latter saw a decrease in the purchasing power of John Average, whom indeed he did not discover but with whom he had become rather friendly over the course of months.

Resign

A conflict had arisen; it even became so intense that Albada not only threatened to resign, but would really have done it. In such a situation nothing much more can be done than consult the adherents and see to what extent you're still being supported by them. Thus Lubbers was called in, who opted for Albada's view entirely according to the slogan: "don't mind my stupid nonsense of yesterday." Maintain John Average's purchasing power and don't decrease the state contributions, for that will only elicit a wage demand.

That is an entirely valid view, of course, as long as you no longer expect anything of the carrying out of Specifications '81. And as long as you say so. If necessary in the chamber, during the general debate for example. That was not done, so the statement that the most recent debates gave the appearance of suppressing Specifications '81 in a cowardly manner is not too extreme.

The opposition saw through that, of course, and tried to prick that balloon. Not with too much power of argument, but then, that wasn't really necessary. It had already been determined before the debates that the CDA wanted to leave Specifications '81 aside during the general debate, and it was very soon obvious that it wanted to persist in that.

Example: The CDA submitted a motion in which it asked the cabinet to investigate in what manner the purchasing power of all groups could be maintained at the modal level in 1980. Note: of /all/ [in italics] groups at the modal level. Thus also that of civil servants and social benefits recipients. It is a complete mystery, in that case, what will become of the outlined cutback policy, which was also endorsed by the CDA and is still now acknowledged orally by them. That policy, namely, is aimed at eliminating errors in the system among social benefits recipients and civil servants and thus it forms an essential component of the 10 billion guilder operation mentioned already so often.

A CDA member of the chamber to whom we put this question, because we did not exclude the possibility that the CDA meanwhile had pulled off the trick, gave us a loyal but friendly look and subsequently merely shrugged his shoulders. He did not know, just like another member of his parliamentary group, although the problem had indeed been up for discussion.

No one, however, stops Lubbers in his obstinate attempt to blow square bubbles. They simply let him go his way, even when one statement is diametrically opposed to another. Example: Lubbers is an advocate of maintaining the purchasing power for social benefits recipients. Stronger yet: he thinks that their benefits should remain linked to that of the working population. The solidarity of the working people with the inactive ones demands that, he thinks. But it should be "at a distance," he adds significantly, by which he only wants to indicate that he finds it justified that the unemployed, for example, earn a little less than does someone who has a job.

Of course it is a standpoint, but, apparently overcome by social sensibility, Lubbers doesn't understand that it simply is not possible on the one hand to maintain the purchasing power of the social benefits recipients, subsequently to promote the zero-line for the employed, and still finally to announce the thesis that those employed have to be just a little ahead of the benefits recipients. You have to be at least a juggler to do that. It is feared that even Lubbers cannot do it, so that in his walk on what his party associate Goudzwaard calls "the royal road," he more and more starts to resemble a juggler who once in a while can still pull a rabbit from his hat, but who subsequently takes his program "not by bread alone" too literally and consumes his own act. No one, but really no one, has tried to keep Lubbers from this performance. It probably would have been a wasted effort. Lubbers is an economist himself and thus we must accept that he knows approximately how things work. It is more probably that his act has the complete agreement of Lubbers' own parliamentary group. "That is

what the parliamentary group wants," a CDA member of the chamber to whom we put the question informed us. Well, maybe so, as long as the CDA then starts from the premise that in this manner taxes and premiums next year and the years afterward will increase again. "Very possible," was the answer, dumbfounding in its simplicity. And, apparently in a burst of generosity, he ladles out the following example.

"Look," he states, "during the debates we plainly defended the thesis that the 10 billion guilder cutback operation must take place. In passing, we also said that the Netherlands is entering difficult times in view of the decreased economic growth, which next year will fall below 2 percent. Thus 1½ percent less than what the cabinet has taken into account so far. But each percent that our economy grows less means that in fact one ought to cut back 2 billion additional guilders."

Conclusion: Actually 13 billion guilders should be cut back; we are now only at 7 billion guilders, thus 6 billion guilders will still have to be found somewhere for 1982.

"Quite correct." Greetings. CDA member of the chamber. In the hallway, for that matter, since we didn't hear him talk about it in the chamber. Probably because "the parliamentary group doesn't want it." Which is entirely legitimate, of course, as long as it is stated what the parliamentary group actually does want. For example, that it is becoming less and less convinced about Specifications '81 and its cutback proposals. With all its consequences. Such as a cabinet crisis.

Rather than do that, the CDA wants to adjust the cabinet policy already during the trip. Toward the left, that is. Which is allowed of course, as long as you admit plainly that you are committing adultery. Which is what Lubbers did. In spite of all his Christian principles, he left the matrimonial bed during the debates on the way to Den Uyl, in order to woo him. He demanded preservation of the purchasing power for John Average, job agreements, an excess profits sharing bill, plus a cutoff level of the cost-of-living compensation. From Den Uyl's bed he did in fact call out to his liberal partner that the latter shouldn't let himself be provoked, "for liberalism and conservatism are contrasting concepts," but subsequently he cuddled up close against Den Uyl. "No further cutbacks," he whispered, audible to everybody, although he did admit that there were holes in Specifications. In short, an embarrassing performance. If the ethical awakening launched at the time by Van Agt ever affected anyone, it certainly wasn't Lubbers.

And Rietkerk? He had slept rather well, he himself thought. From the corner of his eye he had indeed observed his partner's crowing, but the time for a divorce hadn't arrived yet. "At least, not now; then we'd prefer it right before the elections," the VVD informed us. Informally, of course. That is an attitude which will not have escaped the attention of the CDA and which only made Lubbers more and more courageous.

Together with Den Uyl he drove Rietkerk into the corner of the rightist cutback prophets. A corner which, as a matter of fact, is becoming rather full with, amongst others, quite a string of PvdA members such as Heertje, Duisenberg and Halberstadt. It is also the same corner which Lubbers himself had secretly deserted with the other 48 CDA members in his wake. But Rietkerk could not say the latter of course, even though it does create aggressiveness.

And thus it might happen that the patriarchal box on the ear which Lubbers had deserved landed squarely on Van Agt's chin when the liberal leader accused the prime minister of not having been able to explain to the population the deeper meaning of the need to cut back.

"Just try it with that kind of following," you saw Van Agt look. "Thank goodness," you heard Lubbers think. For the latter had just stated that he considered himself 100 percent responsible for the cabinet policy. "And honorably." But that latter remark was an effrontery.

8700

CSO: 3105

CP CONDEMNS JAILING OF CZECH DISSIDENTS

Amsterdam DE WAARHEID in Dutch 23 Oct 79 p 3

[Editorial: "Unacceptable"]

[Text] On Monday a trial was initiated in Prague, the capital city of Czechoslovakia; a trial against six Czechoslovak citizens and one which has attracted a great deal of attention. The six defendants: Uhl, Benda, Dienstbier, Havel, Bednarova and Nemcova, were or are members of the Committee for the Protection of Unjustly Persecuted, which is located in Czechoslovakia, and as such they have addressed themselves in writing to the Czechoslovak authorities and to public opinion. According to the indictment they are guilty of "subversion," a crime for which, in accordance with the Czech penal code, a maximum sentence of 10 years can be imposed.

Everything indicates that what is involved here is not a trial against crimes, but against views and aims and as such to a large extent it has nothing to do with an acceptable and normal administration of justice.

Whatever the outcome of the trial may be, the very fact that they are going through with this on this basis and with these accusations can only evoke a sharp disapproval on the part of those who have the cause of socialism and democratic rights at heart.

On Saturday in a lead article RUDE PRAVO, the organ of the Czechoslovak Communist Party, attempted to justify the upcoming trial with the comment that the defendants are "political derelicts" sailing under a false flag. "They know," writes RUDE PRAVO, that it would be reckless for them to take action under the slogan of the reestablishment of capitalism, terrorism or the overthrow of existing governments. Therefore they are attempting to either "improve socialism" or to become "defenders of human rights."

According to the reports from Prague this bears a connection with the contents of the complaint, namely that the defendants forwarded their documents to the Czechoslovak state organization only as a matter of formality, but their real intention was to use this to bolster the West's propaganda against Czechoslovakia.

Out of RUDE PRAVO no other conclusion can therefore be drawn other than the fact that the defendants did not take any action toward reestablishing capitalism, perpetrated no terrorism and did not propagate the overthrow of the existing government. They had "the intention" of damaging the reputation of Czechoslovakia and to this end they "availed themselves" of Article 29 of the constitution to the effect that each citizen is given the right to express criticism on legislative and executive organizations.

Under these circumstances the complaint on the part of RUDE PRAVO that the reputation of Czechoslovakia is being damaged unfortunately has to be turned around and directed against those who have pushed for the trial and come up with such completely ridiculous reasonings for substantiating their actions.

The fact that RUDE PRAVO is also putting detente between East and West on the agenda does not put the issue in a better light.

There is no getting away from the fact that in the American Senate the opponents of the ratification of the SALT II treaty between the United States and the Soviet Union are only being handed material for intensifying their malicious campaign against socialist countries in general with the scope of speeding up the armaments race in Europe.

The authors of the trial in Prague are complaining about the fact that the enemies of socialism are staining the reputation of Czechoslovakia.

This staining of reputation is being promoted through a trial in which the accusation is being made known only piecemeal and the conditions for genuine publicity are unavailable.

If the authorities in Prague wish to put the situation in Czechoslovakia in a bad light that is their responsibility. What we Dutch communists do not wish to pollute is our concepts of socialism, which are contrary to such practices as today's trial in Prague.

7964

CSO: 3105

NORWAY

BRIEFS

POLISH STUDENTS EXPELLED--Three Polish students in their midtwenties were expelled from Norway 11 September after being fined for the illegal sale of art works and because their visas had expired. Norwegian Telegraph Bureau was told by Bodo Police Chief Carl Wendt that the students' "stock-in-trade" indicated that they were probably engaged in more than a sales tour. "They were arrested in the vicinity of Sjøvegan in Troms during the military exercise 'Operation Barfront' and maps with lines and markings were found. The defense authorities have studied the maps and concluded that they would be useful to people wanting to engage in military intelligence activities in this country," Wendt said. A number of Poles also selling art works were arrested recently in Sweden and the Swedish security police believe that they spied on Swedish military establishments. Police Chief Wendt said that there is no basis for believing there is any connection between the three Poles arrested in Sjøvegan and the case now developing in Sweden. [Excerpt] [LD231121 Oslo AFTENPOSTEN in Norwegian 20 Nov 79 p 12 LD]

CSO: 3108

PSD SHADOW CABINET MEMBER SCORES LACK OF PREPARATION FOR EEC TALKS

Lisbon POVO LIVRE in Portuguese 3 Oct 79 pp 6, 12

[Article by Alberto Regueira: "EEC Negotiations: How Will We Get Through Them?"]

Text 1. Situations of "impasse" or near-impasse are tending to proliferate in Portuguese life. Sometimes it cannot even be said that this has been for lack of trials and efforts, legislative and otherwise, to solve the problems, but the diagnoses frequently err in their idealism and hence are not the best basis on which to build viable solutions. We return to the case of the negotiations with the EEC for Portuguese admission, which is and will continue for some time to be the order of the day.

2. It is worth while to focus on the dimension and meaning of the delays in preparation which have been observed for some time on Portugal's part. Much criticism has already been offered on this point, and the informal optimism of the officials is not persuasive enough to neutralize it. In our opinion, what is in question is the very concept, more or less broad, of the tasks of preparation. If we view these tasks strictly from the standpoint of our ability to adhere to the schedule of meetings, in which brief documents are exchanged, technically well-drafted but general in content, then we are undoubtedly keeping up with the pace by the Community, if we are doing nothing to accelerate it.

Simply stated, when it becomes necessary to move from the plane of general ideas and "discourse on method" to the acceptance of specific commitments, things get complicated, because the indisputable personal quality of some of the individuals involved in the negotiations cannot overcome the calamitous and continuing lack of basic studies in fundamental areas of the negotiations. It is assumed, even granting their personal sincerity, that these individuals are able to willing to offer the assistance that study and experience should afford them; they are content to operate intuitively, by "feelings," as is so often the case in our land of "disengagement."

Basically, if we adopt a broader concept (which, incidentally, we feel should be imposed) of the process of the negotiations, the most of the large agencies

of public administration should long since have prepared all the basic material for negotiation, including the careful identification of all the positive and negative effects which the adoption of EEC policies could entail at short and medium range, the definition of transitional systems which must be negotiated, and their convincing and exhaustive grounding, and the definition of programs of "common action" which in the course of the next few years would serve to alleviate, with the cooperation of the EEC, the most troubling problems of membership and to hasten our economic recovery, a prerequisite for membership itself.

As the delay along these lines is enormous, it could be said of Portugal's preparations for the negotiations that, where a symphony orchestra should be playing, one hears only "accordion" solos in search of a conductor; that is, an organizational thrust and basic impetus which, under the present circumstances, must come from the government.

If things go on as they are, it is obvious that the very nature of things will come to prevail, slowing the pace of the formal negotiations--which cannot survive on declarations of principle--and damaging the "timing" of our admission, perhaps irremediably, with grave consequences to the national interest. In this light, it is wise to remember, for example, that our Spanish neighbors are also in the process of admission and they have been seriously preparing for it for a long time.

Errors of Perspective

3. The operational failure in preparation naturally has to do with basic errors of perspective into which we have fallen.

Immediately, and particularly seriously, there was no provision or timely mobilization for the committed participation of the social partners, the self-governing regions, regional planning organs on the mainland, university research centers and other bodies, in the planning and conduct of studies dealing with the most significant problems posed by membership. It is possible that, for various reasons, not all these entities would be disposed to spend efforts to contribute to the feasibility of Portugal's membership in the Europe of Nine. Their contribution would certainly be uneven, and would add little to what the central administrative agencies would be in a position to offer. Be that as it may, a matter like this one cannot be treated as a cabinet exercise, to be carried out by more or less qualified experts. It is a political issue, affecting all the Portuguese. To presume there would always be time to "hear out" these entities and not to have them take part from the beginning was lamentably distorted vision.

Besides, with negotiations in full swing, the dialog continues to be superficial, or inoperative. Where are the working documents reflecting the viewpoints of the management or union associations regarding the transitional regimes that are essential for membership in several areas of negotiation? Can the negotiations go forward without taking into account the opinions

and demands of these entities? The administration is taking on a grave responsibility if everything continues as it is going. . .

Where, too, are the central administration's initiatives in conjunction with the Autonomous Regions? Will the few studies in progress in each ministerial department take into account the particular facets of the Azores and Madeira in the Portuguese whole, or will they start from the convenient principle that those regions, being self-governing, will deal with their problems and defend their own interests? What has been done up to now to bring the Azores and Madeira, seriously and operationally, into the evaluation of the problems and the solutions that come with membership? Isn't it clear that conditions are thus thoughtlessly being created for future inter-regional conflicts of interest, which will necessarily weaken Portugal's already tiny bargaining power and slow the pace of the negotiations?

Unsuitable Institutional Form

4. But the errors in perspective are rooted in the very form of the institution that, after a difficult birth, is conducting the negotiations for membership.

There is one piece of wisdom, among others, which I cannot fault in the list of solutions established in Decree Law No 185/79, of 20 June. In this bill redefining the organization for the preparation and conduct of the negotiations, the Commission for European Integration came to be composed of representatives of administrative structures rather than individual personalities. It is obvious that the specific contribution of individuals experienced in matters of European integration will always be valuable, and may be called on from time to time, according to the requirements of the preparations for the negotiations. It must be acknowledged, however, that the previous formula, in addition to having proven inefficient, was not going to produce, in each ministerial department, the deep commitment that the negotiations will demand of its staff of experts.

But if the principle is sound, the formula adopted to apply it is completely unrealistic. The cited bill determined the creation of Offices of European Integration in a large number of ministries, to be directed by the representatives of the respective ministries in the Commission.

These new organs will in many cases totally or partially duplicate others already in existence, where the limited available operational capacity is already concentrated. This predictably gives rise to a series of handicaps: possible conflicts of competency within the same ministry; alternately, transfer of competency to the new organ, while maintaining the necessary number of experts in the traditional General Directorates or Offices of Planning; difficulties of the new organ in coordinating departments that are better outfitted, or are perhaps vagering on its eclipse, or whose directors have greater prestige.

Clearly, the situation cannot be painted in such harsh colors in every case, but it is undoubtedly serious. Incidentally, the fact that not all the Offices of European Integration have been actually established yet is a clear sign of the problems raised in implementing Decree Law 185/79.

The problems certainly do not end here. In our understanding, the self-Governing Regions are underrepresented in the organs created for the negotiations. This representation has been relegated to a group of permanent delegates, which includes a little of everything, from representatives of the Ministries of Internal Administration, Public Information, and Housing and Public Works, to representatives of the Secretariat of State for Public Administration and the Bank of Portugal. With such an anomalous composition, it is obvious that this body will have no mission whatever to function effectively as a group, even if the members were already appointed, which is far from being the case. Above all, it does not include any of the ministries that deal most closely with problems affecting the Atlantic Islands (Agriculture and Fishing Industry, Trade and Tourism, Finance and Labor). Thus the conditions have not been created to provide timely information to the Azores and Madeira regarding possibilities and problems raised by the negotiations, or to enable them, from the initial phase of preparing negotiating positions, to exercise their legitimate share of influence. They cannot effectively defend their special regimes within the national scheme or the pursuit of common action important to the islands for their harmonious integration into the European Community.

In sum, it is imperative to rethink this unjust situation and to give the Azores and Madeira a chance to appoint, and henceforth maintain, permanent representatives on the Commission for European Integration.

The continuation of the present status of the self-governing regions in the organizational structure will more than probably give rise to future conflicts which we would be advised to avoid.

Relevant Social Forces Should Take Part

5. Although in principle it is acknowledged to be counterproductive to keep revising organic structures, I believe that Decree Law 185/79 is still far from minimally acceptable to insure the efficient preparation for and conduct of the negotiations for EEC membership. The concerns expressed above point to corrections that will become more and more urgent as time passes.

For Portugal, membership in the European Community constitutes an historic opportunity which the country cannot fail to seize, no matter how great the difficulties to be overcome. It is necessary to rethink most of the steps that have already been taken and the planning for tasks of all types that remain to be carried out. The relevant social forces must take part in the process, and to the greatest possible extent. The political parties themselves should begin to give more than the superficial and sporadic attention they have given to the problem up to now.

In this difficult undertaking, we would like to believe that we will have the effective support and solidarity of the EEC. Thus we can learn how to help ourselves and, as Davignon said in January, enable the EEC to help up as well.

(Alberto Regueira is an economist, founder of SEDES [Society of Studies for Economic and Social Development], and a member of the PSD [Social Democratic Party] Shadow Cabinet for the trade sector.)

6362

CS0: 3101

PINTASILGO GOVERNMENT IDEOLOGICALLY POLARIZED

Lisbon EXPRESSO in Portuguese 4 Oct 79 pp 1R-2R

[Text] About 2 months after coming to power, the Fifth Constitutional Government, led by Mario de Lurdes Pintasilgo, has in recent weeks begun to show increasing signs of a significant political cleavage. Although for the time being it has been kept behind the wings, it is already assuming quite well-defined contours.

The voting on various economic and social issues is one indication of this cleavage, which has been worsening, reaching visible dimensions in recent ministerial councils.

Thus, when EXPRESSO reported 2 weeks ago that Finance Minister Antonio de Sousa Franco, for fundamental reasons, opposed the increase in the nation's minimum wage as approved in council, it was pointing to one of several significant items indicating differences of opinion which are becoming accentuated within the present administration.

EXPRESSO received a clarification regarding this matter, as reported on page 1 and printed below in its entirety.

"Reports appearing in the news media about individual stands taken by members of the government meeting in ministerial councils should be viewed with extreme caution.

"A clear example of the lack of foundation for these reports is the article appearing on page 1 of last Saturday's edition of EXPRESSO, in which a particular position was ascribed to a minister--the finance minister--who was not even present at the council in which the topic to which the report alludes was taken up."

This clarification, which is a model of half-truth, merits analysis for what it says about the existing climate within the government.

Antonio Sousa Franco did not, in fact, attend the ministers' council that approved the national minimum wage change. Hence the communique issued by Teresa Santa Clara Gomes, assistant secretary of state to the prime minister, appears to be true.

Except that the communique leaves out some basic points, such as:

--In an earlier council of ministers in which the same matter was discussed, Sousa Franco expressly stated that he opposed increasing the nation's minimum wage under the terms proposed by Sa Borges, unless the Labor Ministry set an overall "ceiling" for wage increases, which the Labor Ministry did not accept.

--In the council of ministers in which the matter was brought to a vote, the prime minister was absent, owing to illness. His position, conveyed by a secretary of state, had not changed from the one he expressed in the earlier council.

Two Political Lines

Taking these facts into account, it is easily seen that the clarification sent to us not only did not clarify the basic issue but is, in and of itself, symptomatic of the climate within the government. Formally, what is stated is true. Substantively, it omits any clarification of the basic disagreement that has divided and is dividing the government into two opposing camps: one camp, which has won the sympathy and support of the prime minister (and perhaps the minister of internal administration) and which includes the ministers in the social area and the minister of cultural coordination; and the other camp, which usually comprises the ministers of finance and industry and the minister of commerce and tourism.

The other members of the government lean toward one or the other of these groups. Thus, for example, Joaquim Lourenco, minister of agriculture and fishing, has often deserted Sousa Franco, his ASDI [Independent Social Democratic Alliance] colleague, to vote with members of the other line; Correia Gago, although he has presented "economicistas" arguments (i.e., giving predominance to economic considerations) on several occasions, also frequently ends by voting with that same line. For his part, Joao Figueirado, minister of public information, and, even more pointedly, Loureiro dos Santos, minister of national defense, have indicated viewpoints associated with the other line.

It is no exaggeration to speak of two lines, since on several important basic issues there has been frontal disagreement between these two groups. These are not just personal disagreements but, above all, are disagreements in the organic conception of how the government should function, and also regarding political-strategic choices underlying the various measures to be voted on.

Incidentally, one positive proof that the cleavage exists and is already open within the government itself, is that some of the members have felt it was politically necessary to offer dissenting opinions in writing, in order to make their position quite clear regarding basic issues voted on in recent weeks.

This recent practice may have been adopted in large part because the Fifth Constitutional Government does not elaborate minutes of the council of ministers, but only very brief resumes for internal use. These reports do not describe the positions taken by various ministers during debate, and thus the nature of these positions, essential information for an understanding of the final vote, might in fact be open to question.

"Original Sin" of the Governmental Structure

It could be said that, to a certain extent, the "original sin" at the basis of the now open cleavage in the government has existed from the moment it was formed, and was reflected in the complex organizational structure chosen by Mario de Lurdes Pintasilgo for the economic sector.

In fact, whether or not the purpose was to limit the powers of the finance minister (and there were even not too remote precedents for this), the truth is that the prime minister created a system that separates the finance minister from all the other economic ministries.

Thus the finance minister is in no way involved in planning, nor does he coordinate the economic ministries. To coordinate the Ministries of Agriculture and Fishing, Industry, and Commerce and Tourism, a minister of economic coordination was created, which would inevitably constitute a potential sore point concerning powers which the finance minister considers to be his.

Aggravating the conflict, it happened that Maria de Lurdes Pintasilgo generally accepted some conditions imposed by Sousa Franco in accepting the post of finance minister, among which was that, in her absence, he was to preside over councils of ministers for economic affairs, and other conditions that effectively robbed the minister of economic coordination of his capacity to coordinate. Thus Correia Gago was left primarily with the reorganization of the Department of Planning and with the office of the Sines Area.

That is, there was a finance minister whose general competence to coordinate the economic ministries was acknowledged de facto, coexisting with a minister of economic coordination and planning who had virtually no power to coordinate anything at all.

From there it is only a small step to arrive at the uneasy functioning of the economic team.

Two Political Points of View

It was later confirmed that a new and even more important factor came to be added, creating the climate for a governmental rift.

This factor did not have to do with organization, but was of a political nature.

Insofar as the government was examining fundamental issues, basically economic but with social implications, a new phenomenon was appearing: the assertion of the social team, airing viewpoints that immediately won the sympathy of the prime minister and other members of the government, notably the minister of cultural coordination and Sedas Nunes, minister of culture and science.

The viewpoint of this sector has been to subordinate considerations deemed "technocratic" or "economicista" (i.e., that certain measures would not be financially viable or would foreseeably have extremely negative economic effects) to social considerations, in some cases even going beyond the specific demands of the union confederations.

Hence the pressure for wage increases as they have been demanded, and for increases in unemployment subsidies.

Hence the hypersensitive reaction to measures thought to favor private industry too much. This would include questions of denationalization or negotiations with multinational corporations.

Hence the positive hypersensitivity to all issues where the workers' interests might be invoked, whether or not the measures in question are justifiable in light of attendant considerations, or even per se.

Conversely, the group essentially comprising the finance minister, the minister of industry and the minister of trade and tourism (who appear to be more openly rightist within the Council of Ministers meetings) has called attention to the gravity of the social measures approved by the government, which are going to involve damaging economic consequences at short or medium range. It has also pointed to what it calls the "leftist complex" of the first group, which leads it to reject even views held by exclusively or predominantly socialist governments.

Thus it has called for a vote on issues that would normally be approved by consensus, and has voted against the majority line on most of these issues.

"Isolation" of Sousa Franco

Publicly, it is only in two very striking passages in the DIARIO DE NOTICIAS interview with Antonio Sousa Franco that one can detect vague signs of discord within the government; in his reference to the IMF (Maria de Lurdes

Pintasilgo wanted to cancel its trip to Lisbon in order to avoid any feeling that the trip was related to the price increases approved by the government), and in his allusion to the economic consequences of certain measures of a social nature.

Speaking simply, it is now clear that the finance minister is somewhat isolated within the government (although he is joined by the ministers of industry and of commerce and tourism).

The council of ministers for economic affairs, over which he is acknowledged to preside in Pintasilgo's absence, has met only twice.

The Labor Ministry is studying the regulation of the law on Workers' Commissions, if one is to believe sectors close to it, without any cooperation whatever from the economic ministries, particularly the Finance Ministry, although one of the most serious problems raised by that law concerns control of the management of banks and insurance firms supervised by the Finance Ministry.

In addition to the divided views on fundamental issues; in addition to the appearance of written voting statements attesting to the reasons for minority positions in the councils of ministers; in addition to the present clear tendency to "neutralize" the finance minister by the dominant line in the government, which nonetheless has won the support of Maria de Lurdes Pintasilgo, a very important political consequence could ensue.

Uncomfortable position of PS in Relation to Government

An aggravation of the rift within the government could, in addition to weakening it, accentuate the trend toward bipolarization in the Portuguese society, and force the PS [Socialist Party] to dissociate itself more clearly from the executive branch and hence to distance itself from the president of the republic.

Actually, bipolarization can only damage the PS; for example, events like that of Montemor-o-Novo place the party in a very difficult position, "squeezed" between two equally radical stands.

In fact, in the council of ministers that discussed this matter, there were members of the government, like Seda Nunes, who took very radical positions, demonstrably close to measures advocated by the PCP [Portuguese Communist Party]; the issue of the reference to execution of the agrarian reform law in the government communique was far from peaceful, giving rise to a fairly evenly split vote; above all, Maria de Lurdes Pintasilgo was felt to be somewhat hesitant as to what position to take, either regarding that reference or the possibility of temporarily suspending execution of said law.

Moreover, the PS relations with the government are not made any easier by the increasing isolation of Sousa Franco and the line he represents in the

government (the evening DIARIO DE LISBOA expressed referred to it just this week, describing the finance minister's positions as "conservative"). It is important to bear in mind the close and long-standing relations of collaboration between Sousa Franco and certain Socialist leaders, such as Vitor Constancio.

A sharper estrangement of the ASDI leader in the government from the line of the "leftist independents" would place at least an appreciable part of the PS in a very uncomfortable position.

In addition, in the choice of the date for the local elections, as in the replacement of the management commissions in the nationalized news media, the PS views have been successively passed over, with the "political blessing" of the prime minister.

A further cooling of relations between the government and the PS also means, however, a further cooling between the PS and the president of the republic.

Since it does not appear that the "Democratic Alliance" can (or wishes to) revise its position regarding Gen Ramalho Eanes, if the general is seen to have broken definitively with the PS, then the possibility of its reelection is quite probably "down the drain," which does not foreshadow a democratic presidentialist venture, but one with ill-defined outlines.

The avoidance of bipolarization of Portuguese political life lies in overcoming the rift in the Pintasilgo government.

This means, "contrarywise," that the aggravation of this rift is to the interest of the "Democratic Alliance" and, obviously, to the interest of the PCP, which appears to be wagering more and more on the Italianization of Portugal's political life.

It is not clear, however, that it is to the interest of a very broad sector of Portuguese democrats.

6362

CSO: 3101

LUCAS PIRES SEES NEED FOR CONSTITUTIONAL REFERENDUM

Lisbon POVO LIVRE in Portuguese 3 Oct 79 pp 15, 16

[Interview with Lucas Pires, reporter for the Democratic Alliance Committee on Constitutional Revision, date and place not given]

[Text] "The referendum would even serve to judge the performance of the president of the republic," Lucas Pires told us in an interview following the completion of his report, assigned by the Democratic Alliance, regarding the major points of the plan for constitutional revision. In this regard, he noted the resignation of General De Gaulle following the defeat of his referendum proposal.

His criticism of what he considers "the world's first Eurocommunist constitution" was thus the main topic of this interview with Pires, in which we sought to compare and contrast the positions of this distinguished centrist leader and those defended by Social Democrats, specifically Sa Carneiro in his book, "A Constitution for the 1980's."

POVO LIVRE: How feasible is it to hold a referendum on constitutional revision in Portugal?

Pires: A framing law of referendum would not be unconstitutional; it would be what is called a preter-constitutional law, a law that, although it falls outside the constitution, does not violate it.

I also feel that such a law would be legitimized democratically by a Democratic Alliance victory in the next election, both because in the present context those elections would have the nature of a plebescite and because this is precisely one of the major issues on which the Portuguese electorate will be voting.

POVO LIVRE: Let us imagine the following possibility: in the future Assembly, the Democratic Alliance majority approves a law for referendum and the Revolutionary Council declares it unconstitutional. What happens then?

Pires: Under those circumstances, the veto of the Revolutionary Council would mean that the principle of the elite had more weight than the democratic principle. I do not believe that the elite, incidentally decadent, of an aborted military revolution can do anything against the victorious democratic force of the true civilian revolution, which the next elections could represent, because, in the last analysis, this is much more a political issue than a juridical one.

The next elections, in fact, must mean the recovery of the sovereignty of the majority of the Portuguese people, as against the expropriated sovereignty that political-military realities, the Revolutionary Council and, in large part, the present constitution represent.

POVO LIVRE: Then the referendum would be a way to solve the problem of constitutional revision. But the present constitution was approved by the PSD [Social Democratic Party] and rejected by the CDS [Social Democratic Center Party]. On the other hand, the PPM [Popular Monarchist Party] is not republican. Do you think it will be easy to find a consensus among the three parties in favor of constitutional revision?

Pires: I think the PSD approved the present constitution only because it was provisional. The PSD approval was therefore temporary approval. On the other hand, I feel that any one of the three parties would like to propose, not simply an economic and political alternative, but a governmental, or constitutional, alternative.

In the first place, all three agree it is urgent that the former pact with the Revolutionary Council and the MFA [Armed Forces Movement] be replaced by a pact with the people. In the second place, all three feel that this constitution is supported only by the PCP [Portuguese Communist Party], and is really a leftist majoritarian pact between the PCP and the PS [Socialist Party]. All three feel that a constitution must be more than an ideological catechism or a weathervane of revolutionary vicissitudes in our country; it must be simply a compendium for a real country and the architectural framework for a more open and liberal juridical and economic order. All three parties feel that the issue is one of transition from socialism to democracy and not from socialism to more socialism. All three understand that the only source of power is the democratic power of the citizens, doing away with corporate or anarchical forms of popular power, labor power and military power. I think, finally, that all three parties feel it is necessary to liberate the society and build the state.

POVO LIVRE: Opinions differ widely regarding the scope of the famous Article 190 of the present constitution, which establishes the respective actual limits where constitutional revision is concerned. What is your opinion?

Pires: My personal position is that the article sets unacceptable limits on the sovereignty of the people and violates the principles of this sovereignty in the future. Which is not the case with limits that seek to

defend that same sovereignty and that same freedom, or simply establish the minimum indispensable forms for the expression of this freedom.

POVO LIVRE: The PCP considers Article 290 to be inviolable, as we understand, you would accept the full revision of Article 290 simultaneously with the revision of the text of the constitution, one being no impediment to revision of the other. Sa Carneiro, in his book, "A Constitution for the 1980's," defends the theory of a two-stage revision; that is, Article 290 would be revised in a first phase and only then, in a second phase, would it be possible to draw the implications for the constitution as a whole. How would the Democratic Alliance proceed?

Pires: The primary, essential and minimum goal of the referendum, which I feel is acceptable to all the members of the Democratic Alliance, is to remove the formal and real limits that impede an effective revision of the constitution. I think that if this point of departure is accepted, the controversy over two-stage revision, which is gradual and partial, versus overall revision, is overcome.

POVO LIVRE: What was your working document in the Democratic Alliance's Committee for Constitutional Revision?

Pires: In the text of the conclusions of the committee, for which I am the reporter, I state that Dr Sa Carneiro's draft for constitutional revision was the basic point of reference; in the same context, I also state that in addition to this draft, the CDS rejection of the present constitution, together with the criticisms which the PPM and the Reformers have been offering, constitute the moral and doctrinal framework for the alternative offered by the Democratic Alliance to the present constitution.

POVO LIVRE: Please discuss the various revisions you feel should be introduced in the constitution, beginning with basic principles.

Pires: I am of the opinion that in the search for broad constitutional aims, the generic consensus of the Portuguese people, the general bases one should look to are Portugal, democracy and a state of law, and not to any ideological base.

POVO LIVRE: Don't those really constitute another ideological base?

Pires: I would say it is more a doctrinal base, but an open one (namely permitting the coexistence of several ideologies), rather than a dominant ideology which is only waiting to become the exclusive ideology, as in the case of the Socialist ideology of the present constitution.

One revision which seems very important to me, in this area of basic principles, would be to replace the system of anonymous citizenry in the present constitution, providing a system of citizenship based on affiliation.

This is the only way that children of Portuguese emigres will remain constitutionally Portuguese citizens. Only this will help preserve the two most basic riches that even our wastrel Socialist regime did not manage to squander: the Portuguese people and their culture. It would contribute to the building of a Portuguese community, standing beside the Portuguese state.

POVO LIVRE: Do you feel that the present constitution's section on fundamental rights and freedoms is good?

Pires: Its most positive aspect is its exhaustively specific nature. I feel, however, that the constitution has serious shortcomings even in this area, which resulted, for example, in our having to pose no less than seven reservations to the European Convention on Human Rights.

Standards such as those pertaining to freedom of information could be vastly improved. The right to own property should be considered a basic human right, and in terms of language I think we should speak of individual rights, and not simply the rights of citizens. I also feel for example, that instead of contrasting fascist and non-fascist organizations, as in the present constitution, it would be preferable to contrast totalitarian and dictatorial organizations, on one side, and democratic organizations on the other.

I hope that the PCP, now disguised as a coalition, will be less reluctant to accept this proposition of opposition to totalitarian and dictatorial organizations.

I suppose it is important, above all, to stress in general terms another philosophy of freedom, which is not that of the present constitution. From the humanist perspective of the Democratic Alliance, rights originate in the nature of man and not simply in the forms of historical development of the class struggle. Hence they must have a moral basis, an economic basis; they are not simply a catalogue of assorted rights. This means, specifically, that the principal guarantee of constitutional rights must rest with justice, in the judicial power of a constitutional tribunal, and not in the hands of a Constitutional Commission dependent on the Revolutionary Council.

POVO LIVRE: Regarding economic and social rights, the PSD and the CDS will naturally take different positions. What do you think the future constitution should say about these?

Pires: It is obvious that in this matter some of the differences between the Social Democratic Program and the Christian Democratic program may even be significant.

Simply speaking, these differences do not have to appear at the constitutional level, because the PSD does not want a Social Democratic constitution any more than the CDS wants a Christian Democratic constitution. The English call the constitution an "agreement on fundamentals" ("acordo no

fundamental"). The constitution is no place for issues that divide, but rather for principles that unite. Unfortunately, in Portugal we cannot pretend to draft a constitution that is not a constitution against the PC and that reckons without the PS.

POVO LIVRE: Why do you say unfortunately?

Pires: With respect to the PCP, because it is not confirmed that it has renounced its enmity against "bourgeois democracy," as the communists refer to it, and, with respect to the PS, because it is a party with an overwhelming unwillingness to backtrack. It must be noted, as I have already said, that the present constitution might almost be called the world's first Eurocommunist constitution. In fact, the PCP and the PS, which are the bases of support for that constitution, are in combination somewhat like a Eurocommunist party, like the PCI [Italian Communist Party], for example. It seems to me that a clear and palpable proof of this is that under the present constitutional regime, the Portuguese people--especially the plain folk--are becoming more and more proletarianized, living increasingly close to the PC's ideal level of poverty.

We would say that, in a painless fashion--Eurocommunist, if you will, this constitution sets in motion the machinery of proletarianization and collectivization that communist theories propound.

POVO LIVRE: What is your understanding of the role of the state in the economic organization, namely in the demarcation between the private and public sectors? Have the PSD and the CDS disagreed in this area?

Pires: In the report I drafted for the committee, I gave to understand that the constitution should not include any standards for agrarian reform or any other standards whatever at the level of a mere economic program.

At bottom, all the basic points of disagreement are located in the programmatic area of the constitution. I feel that even social democratic concepts accept that the degree of socialization they advocate should result from a gradual and self-determining process and not from measures imposed by the constitution.

POVO LIVRE: Do you mean by this that issues of this type should be left to negotiations regarding the government program and important laws to be approved by the Democratic Alliance in the future Assembly of the Republic?

Pires: Certainly. I also think, and this is the position taken in my report, that what is fundamental is that the constitution set an anti-monopolistic rule that applies equally to public and private monopolies, that it establish a principle of nondiscrimination between the public and private sectors, a principle that public and private enterprises are subject to common rules of competition. Moreover, public and technical control of public and private enterprises should be guaranteed, namely through required annual publication of their respective accounts. In all enterprises, including public enterprises, there should also be a Fiscal Council. I feel that free enterprise should be recognized and guaranteed, even in the areas of banking and insurance.

POVO LIVRE: What are the major changes you would advocate in the political organization of the state?

Pires: I feel it is essential to improve the system of liaison or communication between the society and the state--between what is called the real nation and the body politic--to prevent such expressions as "political class" from assuming the same meaning as "caste."

To this end, it is immediately necessary to improve the electoral system. It is still too early to say precisely and in detail how it should be, although it can be said right now that in general it is a matter of achieving the following goals:

- To make it possible to create majorities.
- To bring the candidates closer to the electors.
- To facilitate forms of coalition and electoral cooperation between political forces.

I also feel it is important to note the need for a second chamber, although its conception should be defined in deeper discussions, namely to decide whether its only function should be to represent decentralized territorial entities or if it should also represent social and economic interests. On the other hand, the latter could be the responsibility of an autonomous Economic and Social Council.

POVO LIVRE: Would it be like the present Planning Council, which, incidentally, I assume is not functioning?

Pires: It would combine the National Planning Council and the National Wage and Price Council in one organ, but it would not have representatives of parties. In addition, it would have representative and not merely advisory functions.

In line with the philosophy of communication between the state and the people, I feel it is important to stress that powers of referendum should be granted in certain matters, on the initiative of the president of the republic. This power is, however, a power of the people which even serves to judge the performance of the president himself. It might be worth reminding opponents of referendum that President De Gaulle resigned--the correct expression is "was forced to resign"--following the defeat of one of his proposals submitted to referendum.

POVO LIVRE: And it was De Gaulle...

Pires: I imagine that if there were referendum in Portugal, President Eanes could take another political line and remain the president of all the people of Portugal, instead of coming closer and closer to being no one's president.

POVO LIVRE: But do you think the president of the republic would, or will, accept this innovation of referendum?

Pires: President Eanes probably has some psychological difficulty accepting this mode of political communication, difficulty which results precisely from his awareness of his own difficulty in communicating with the people. Perhaps it is easier to be the president of a particular political class than to be the president of the people as a whole.

POVO LIVRE: Do you advocate expanding the powers of the president? Do you think the new constitution should be parliamentary, presidentialist or semi-presidentialist?

Pires: In this regard, my philosophy is that in Portugal it is necessary to upgrade the powers of decision, both at political and administrative levels, and the president of the republic must have a large reserve of powers, even if he need not use those powers every day.

We are in fact, even historically, a country nearly paralyzed by lack of decision and retreat from responsibility. There are those who say, like "Pessoa," that we are still half-monarchist and half-republican. Others even say they are still not certain who won: Dom Pedro or Dom Miguel...

It is the solution to this continuing impasse which must be insured. Perhaps one of the most important factors in the political organization of the state is the transformation of justice and the judicial power, through the Constitutional Tribunal to which I referred earlier, into the supreme tribunal to judge acts of the state and the citizens.

POVO LIVRE: Still in the area of the political organization of the state, and to sum up, what does the concept of home rule mean to you?

Pires: Regarding the Self-Governing Regions, the concept contained in my report generally involves expansion of the material that falls within the scope of self-rule; the competence of the self-governing regions to shape their own national politics overall; and the transformation of the minister of the republic into a representative of sovereignty and not an agent of government.

POVO LIVRE: Would you maintain the figure of minister of the republic?

Pires: I admit that it might be useful to eliminate the post. In fact, I feel that defense of the purity of the principle of self-rule implies that all conflicts between the Autonomous Regions and the state come under the jurisdiction of the judicial power and a Constitutional Tribunal, and are in no way of an administrative or political nature, implying a guardianship which, intentionally or not, underlies the existence of the minister of the republic.

ARTICLE NOTES SOVIET CONTACTS IN AZORES GO UNHINDERED

Lisbon A TARDE in Portuguese 7 Nov 79 p 5

[Article by Francisco Ferreira: "Soviet Espionage in the Portuguese Islands"]

[Text] At the Conference on the Strategic Islands, held in Funchal at the proposal of the Regional Government of Madeira, and attended by representatives from the Azores, the Canaries, Cyprus, Madeira and Malta, as well as by strategists and specialists from Europe, the United States and the People's Republic of China, the majority of the participants reached the conclusion that "decisive measures should be adopted to counter a Soviet strategy aimed at isolating Europe and the United States."

For this purpose, it is essential to be watchful and to proceed along the path of development. Alberto Joao Jardim declared: "We are not unaware of the fact that the Soviet Union will attempt to exploit the motivations of the poor peoples of southern Europe." "Being alert" is an essential obligation for the Portuguese islands, specifically the Azores, which are open to investigation and exploitation on the part of journalists and submarines from the Soviet Union.

The Portuguese newsmen, Antonio Figueiredo, who resides in London, quoted a news item from the OBSERVER, claiming that two Soviet submarines were sighted very close to Ilha Terceira last January, and that the traffic of Soviet freighters and cruisers in the Azores' ports has increased quite recently.

While, on the island of Malta, the government expelled a Soviet journalist engaged in espionage activity (according to a disclosure made at the conference), the Soviet journalists in the Azores move about freely, and have their guides and informers there. And they no longer make any secret of this.

PRAVDA's correspondent in Lisbon, Boris Kotov, recently visited several islands of the Azores archipelago; and on every visit he held meetings with leaders of the local PCP [Portuguese Communist Party] organization.

According to PRAVDA, Kotov met with the local PCP leadership on Ilha Terceira (Maria da Conceicao, Vitor Manuel Azevedo, Jacinto Augusto Correia, Judite Lino and Cristovao Neto, a PCP "veteran"). The accounts given by these Azoreans to their Soviet comrade "reveal a gloomy and, at times, tragic situation for the Portuguese democrats on the islands."

Those "PCers" claimed: "The separatists and their imperialist protectors are attempting to turn the Azores into a constant focal point for political pressure on democratic Portugal."

This statement prompted Kotov to write: "The separatist movement is one of the guises of the Portuguese counterrevolution and the international imperialist conspiracy against the conquests (?) of the Portugal of April."

Realizing that the economic development problems are a critical factor, the PRAVDA correspondent, trained in the school of wrongdoing and whining, took advantage of the occasion to add: "Continental Portugal itself is undergoing a serious economic crisis, and cannot lend assistance to the Azores." Then he continued: "There are many outside the country desirous of taking over that 'piece' of Portugal. The press has constantly reported the willingness of the Western monopolies, including North America, to aid the Azores."

Next, Kotov described the strategic importance of the Azores archipelago, an "importance" which led the deputy director of the Soviet Institute of Oceanography, Dr Andrey Aksenov, to attempt underwater research in order to locate the legendary city of Atlantis in the Azores area. What Mr Aksenov wanted was to find and make a complete assessment of the size of the Lajes bases in that archipelago. The USSR would like to have in Lajes what it has already achieved in Angola and Mozambique. This is why it is trying to spy on the Azores....

Maria da Conceicao, a PCP member on Terceira, informed her comrade from PRAVDA on the internal activity on the island. She said: "Despite the incessant attacks, we are now operating overtly;" adding: "It is true that we are still forced to conceal the work center from alien eyes. We are protecting the family of our comrade who gave us part of a house to perform the party's work from a possible attack."

From Terceira, the Soviet newsman went to Faial, where he was told by the "PCers" that "the PCP work center has been operating legally for years."

And, from Faial, Mr Kotov flew to the town of Horta, where he met with other "PCers." Jose Mota, head of the local PCP organization, told his comrade from PRAVDA how the PCP was working on that island. He then reported that the party's headquarters had been burned in December 1977. Genuino Madruga, a fisherman responsible for trade union work, added: "But now the fascists no longer even show their faces, because we have given them a big scare. They fled and did not even look back."

If any citizen of the USSR were to make statements of an internal nature to a foreigner, such as the reports given to Mr Kotov in the Azores, he would be considered a traitor and would suffer the consequences.

With such informers, of course, the security of the Portuguese islands leaves a great deal to be desired.

Alberto Joao Jardim declared: "The defense of the European democracies entails the development of the peripheral areas, so that unjustifiable delays will not constitute a seed for destabilization, to be started chronologically in the socio-political area." But, one may ask: Will not the Soviet exploration trips benefit the Soviet strategy for expansion?

2909

CSO: 3101

PCP CENTRAL COMMITTEE SENDS GREETINGS TO VARIOUS CP'S

Lisbon AVANTE in Portuguese 8 Nov 79 p 2

[Text] Greetings from the Central Committee

To the Central Committee of the National Liberation Front (Algeria)

Dear comrades:

On the occasion of the 25th anniversary of the start of the armed insurrection of the Algerian people, the Central Committee of the Portuguese Communist Party conveys to the Central Committee of the National Liberation Front [FLN] Party, to all its members and to the working people of the Democratic and People's Republic of Algeria [RADP] the heartfelt and fraternal greetings of Portuguese Communists.

The Communists and workers of Portugal have always followed with strong emotion and a spirit of solidarity the difficult, self-sacrificing struggle of the Algerian workers and people who, under the leadership of the FLN, heroically combated the colonial game, won independence for their fatherland and undertook deepseated progressive changes in their society.

Today, 25 years after the historic date of 1 November 1954, it is with the sincere joy of those who feel involved in the common struggle for liberation that we hail the success that has been attained in the construction of the RADP and its great contribution to the cause of peace and the liberation of peoples; and we wish you further success along the progressive, anti-imperialist path of the Algerian revolution.

The prestige and the important role of the RADP in the Arab social and national liberation movement in Africa and the world, clearly evident from its consistent position in the movement of nonaligned nations, could not fail to be met with the hostility of international imperialists and reactionaries, in their vain attempts to deter the advancement of the worldwide revolutionary process. The threats of direct intervention from the North American imperialists, together with the reactionary forces in Maghreb, have jeopardized the peace and security of the entire area, and of your country in particular. We wish to take this opportunity to express to you once again the active

solidarity of Portuguese Communists toward your struggle against the plots and provocation aimed against the Algerian people and revolution by the imperialists.

Loyal to the principles of proletarian internationalism which have always guided its action, the PCP has always been, is and always will be on the side of the peoples who are struggling for a right to self-determination and to independence, and for democracy, social progress and socialism.

Dear comrades:

The progressive, anti-imperialist orientation of the Algerian revolution, and its steadfast position on the side of the peoples struggling against imperialism, fascism, colonialism and racism, are well known to Portuguese Communists and democrats who, during the dark days of the fascist dictatorship and criminal colonial wars, always found a sincere friend and a certain ally in the FLN and the Algerian people.

With the revolution of 25 April 1974 (a revolution whose great conquests the Portuguese Communists and workers are staunchly defending against all the attempts by internal reactionaries and imperialists aimed at liquidating them), extensive prospects were offered for the development of relations of friendship and cooperation between the Portuguese people and the Algerian people, and between the new democratic Portugal and the Democratic and People's Republic of Algeria.

The PCP will do everything in its power to make these prospects materialize.

The PCP expresses the hope that the bonds of friendship and solidarity forged between our two parties at a time when Portugal was combating colonialism and fascism will become increasingly close in the future, in the interests of our two peoples and countries, and in the interests of the common cause of peace and the intensification of the anti-imperialist international front.

Long live the 25th anniversary of the beginning of the armed insurrection!

Long live the friendship and combative solidarity between the PCP and FLN!

Long live the friendship and solidarity between the Portuguese people and the Algerian people!

To the Central Committee of the Communist Party of Israel

Dear comrades:

Since its founding, the Communist Party of Israel has asserted itself, throughout 60 years of difficult struggle, under the most adverse conditions, as the revolutionary vanguard of the working class and of all the workers in its country.

Today, as the Communist Party of Israel celebrates its 60th anniversary, the Central Committee of the Portuguese Communist Party, on behalf of all Portuguese Communists, sends its most heartfelt and fraternal greetings to its Central Committee, and to all its members and sympathizers.

In the complex and dangerous situation that has existed for a long time in the Middle East, the Communist Party of Israel, guided by the principles of Marxism-Leninism and proletarian internationalism, has remained steadfast in the struggle for an improvement in the living conditions of the working people in its country, and for national independence, peace, social progress and democracy, and in the struggle against colonialism, Zionism, imperialism and Arab reaction, and on behalf of the unity of the progressive forces in the region.

The conspiracy and maneuvers of the North American imperialists, the Zionist ambitions for supremacy and war-mongering nature, and the Arab reactionaries, combined, have created an extremely tense atmosphere in the region dangerous to world peace, specifically through their attempts to divide the progressive Arab forces and states, and to isolate and repress the Palestinian people and their just struggle. The Camp David agreements, which the PCP condemns and denounces, are a part of these objectives.

The solution to the Middle East problem entails Israel's withdrawal from the Arab territories occupied in 1967, and recognition for the legitimate national rights of the Palestinian people, including the establishment of their own independent and sovereign state in the territory of Palestine; as well as a complete solution with the participation of the Palestine Liberation Organization, the only legitimate representative of the Palestinian people.

The struggle in defense of peace and peaceful coexistence requires a resolute action against the arms race triggered by the most aggressive circles in the United States and NATO. Now more than ever before, our party needs the unity of all the progressive forces in the region and the world, in condemning the divisive maneuvers, namely, the Camp David agreements, to isolate and combat the reactionary forces, to back the just Palestinian aspirations, to contribute to the solution of the serious problems existing there and to create an atmosphere of peace and security in the Middle East. The PCP holds in high esteem the contribution made by the Communists of Israel to the struggle on behalf of these objectives.

To the Communist Party of Israel, its members and its sympathizers, the PCP reaffirms its solidarity in the difficult struggle being waged to solve the problems which most beset the working people of Israel, and its conviction that the final victory will belong to the progressive forces, and that a future of peace, democracy and social progress will be possible for the peoples of the Middle East.

We take this opportunity to express our firm intention of doing everything possible to reinforce the relations between our two parties, in the interests

of our two peoples, of the democratic and anti-imperialist forces and of the unity of the international communist movement.

Long live the 60th anniversary of the Communist Party of Israel!

Long live the friendship between the Portuguese Communist Party and the Communist Party of Israel!

To the Central Committee of the Communist Party of Great Britain

Dear comrades:

The Central Committee of the Portuguese Communist Party sends its fraternal and heartfelt greetings to the 36th National Congress of the Communist Party of Great Britain, and wishes it greater success in its work.

The PCP has followed with a spirit of solidarity your daily struggle in defense of the interests of the popular masses against the policy of the monopolies aimed, on the one hand, at restricting the democratic rights and liberties attained by the British workers with such great effort, and, on the other, at reducing the standard of living of the workers, specifically, through inflation, curbing wages and unemployment, which has become worse since Great Britain joined the Common Market.

We have followed and we wish greater success for your struggle for the unity of the working class and all democratic forces in making a political change in Great Britain favoring the overwhelming majority of its population, which will lead your country along the path of social progress, peace and socialism.

Struggling for an end to colonialism in Ireland, and for the true independence of the people of Zimbabwe, and against racism, the Communist Party of Great Britain has contributed to the elimination of focal points of tension which, if maintained, could jeopardize world peace and security.

During the past few years, despite the maneuvers, blackmail, threats and interference of the imperialists designed to preclude the national and social liberation of peoples, the international revolutionary process is continuing to become intensified. The PCP hails and supports the heroic, courageous and victorious struggles of the peoples of Angola, Mozambique, Ethiopia, Kampuchea, Afghanistan and Nicaragua against international imperialism and reaction.

The PCP strongly condemns the maneuvers of the North American imperialists and the most retrogressive elements in NATO, aimed at installing in Europe new weapons for mass destruction, in flagrant violation of the proposals to reduce troops and weaponry made by the USSR and other socialist countries. The Portuguese Communists consider the united struggle of all peace loving forces, and in particular, that of the communist and workers parties, against the arms race, for an intensification of an atmosphere of calmness and for a reinforcement of peace to be of major importance. (...)

Dear comrades:

Bonds of friendship and cooperation have been created between the PCP and the PCGB in the common struggle against colonialism, capitalism and imperialism.

The PCP is acting to make these bonds continue to develop, on the basis of the undying principles of Marxism-Leninism and proletarian internationalism.

In the interests of the peoples of Portugal and Great Britain, and in the interests of peace, security and cooperation, the PCP advocates a reinforcement of the relations between the two countries based on equal rights among sovereign states and without any interference.

The Portuguese Communist Party wishes the 36th Congress further success in its work!

To the Central Committee of the Communist Party of Canada:

Dear comrades:

On the occasion of the 24th Congress of the Communist Party of Canada, the Central Committee of the Portuguese Communist Party conveys to its delegates and, through them, to the Communists, the working class and the working people of your country the heartfelt, fraternal greetings of Portuguese Communists.

The living and working conditions of the working class and all the working population of Canada have been seriously affected by the policy of the monopolies attempting to burden the non-monopolistic classes and groups with the consequences of the general crisis besetting the capitalist system.

Portuguese Communists have followed with sympathy and a spirit of solidarity your struggle for the unity of the working class, the working masses and the democratic forces against unemployment and inflation, and for social progress and a just solution to the Canadian national issue, against Canada's integration into economic and military blocs dominated by the big multinationals and imperialists, and for a foreign policy of national independence, particularly with respect to United States imperialism, and favoring calmness, peace and friendship among peoples. (...)

Dear comrades:

We express the hope that the work of your 24th Congress will be crowned with success, for the advancement of the united struggle of the working class and the democratic forces in your country.

We shall continue to act on behalf of a reinforcement of the traditional relations of friendship and fraternal solidarity that exist between our two

parties, based on the principles of Marxism-Leninism and proletarian internationalism.

We also express the hope that bonds of friendship and solidarity will be developed between our two peoples, and that relations marked by peace and cooperation will be reinforced between Portugal and Canada, with respect for the principles of mutual interest and non-interference in internal affairs.

2909

CSO: 3101

PORTUGUESE CHALLENGING BRITISH HOLD ON PORT WINE INDUSTRY

Copenhagen BERLINGSKE AFTEN in Danish 2 Nov 79 p 7

[Article by Andreas Dalgaard]

[Text] Portugal is getting over the revolution of almost 6 years ago, when it abandoned the dictatorship and eschewed communism in favor of a sort of social democratic régime.

Governments have succeed each other; for the moment there is a middle-aged woman prime minister, Maria Pintassilgo, who will be in office until new government coalitions can be formed after the parliamentary election on 2 December. There is a desire to try to get an energetic government that can establish order in the relatively poor country's economy.

The economy is already well on the mend, however. One of the main sources of income, tourism, is again on the rise, and the country is trying to get into the European Community. Exports of footwear, textiles, and metal products are increasing from day to day, but the owners of these industrial firms are often foreigners, so that the return on capital has to be paid abroad, and therefore does not benefit the foreign exchange balance of the country as much as the Finance Ministry might wish.

Competition on Port Wine

A typical example of the division into domestic and foreign production of a national product is port wine production. Port wine was "invented" by the English, and many port wine firms are owned by British capital and are really run from London. But there are also many that are purely Portuguese-owned.

One of the--Portuguese--vice presidents of port wine exporters, Manoel Pocas Junior, says that the English have lost their part of . . . port wine production in recent years.

Some 25 years ago 75 percent of the production of port wine was in British hands. Since then the Portuguese themselves have won a large part, and the English offered only weak resistance, especially during the last

5 years, when there was fear of nationalization of the port wine firms similar to that which had taken place, for example, in the case of breweries and banks. The English are now down to controlling only half of the port wine production.

The port wine firms were on the way to being nationalized, but avoided it, partly because foreign importers threatened buyers' strikes. For example, Italian wine importers pointed out that their imports from Yugoslavia had almost been stopped because of the bureaucracy in the nationalized Yugoslavian wine industry. They did not want to have the same difficulties with the Portuguese; if they did, the latter could keep their port wine.

The danger of nationalization is thus believed to have been survived, and therefore the British are active in attempts to regain their domination of the port wine trade internationally.

Competition for the Market

The new fight for the market means big price rises. Normally competition can bring about price reductions, but this is not happening in this case because of special conditions. Under Portuguese law a port wine exporter cannot export more than one third of his stock annually. For that reason there is competition in the form of purchase of firms and stocks, which pushes the prices up, instead of competition on the export price. It is necessary to make sure of many firms and large stocks to dominate the trade, which is concentrated more and more in fewer and fewer hands.

At the same time there is a great increase in exports. Completely new markets have shown up, and one of the big ones is the Soviet Union. The firm of Noval, for example, exports a very large part of its production of "Coronation Port" to the Russians. Before the trade agreement was made an offer was made to change the name to "Revolution Port," but the Russians showed no desire for that.

The fight for export markets is going on especially outside of the British Isles. The two big English firms Sandemann and Cockburn account by themselves for 60 percent of the British market, and other English-owned firms have the rest. Portuguese-owned port wine firms do not at all expect to get into that field, but are seeking new directions. The Soviet Union is one of them, but at the same time there is a little uneasiness about sending too big a part of the exports to totalitarian states, which can change import policy and price policy at a moment's notice. It is not the retail customers that make the decisions in those states.

The importers from abroad are very quality-conscious, and that is welcomed in Oporto. They talk quality more than price there when foreign customers come to buy.

The new markets reject the many foreign port wine types--the United States produces three times as much "port wine" as Portugal--and in Oporto it is considered a compliment that attempts are being made to copy port wine.

Real port wine can be produced only in the valley of the Douro; the Portuguese have experimented with other districts in Portugal, but they failed. Just as when the Scots try to move whiskey production to new areas, the drink changes character entirely.

Export publicity is being pushed in many places. One of them is on the Portuguese airline AP, which has changed its name from the prerevolutionary TAP. It is the only airline in the world where wine is served free with meals. This is also a form of export policy.

8815

CSO: 3106

ETA INFILTRATES 'ABERTZALES' ORGANIZATIONS

Madrid ABC in Spanish 20 Oct 79 p 7

[Text] Most persons providing information to the military wing of ETA [Basque Fatherland and Liberty Group] are members of organizations on the nationalist left, some of them illegal, like HASI [expansion unknown] and others legal, such as Herri Batasuna, according to a report in the magazine POLICIA ESPANOLA.

It is reported that the members of the information group have no positions of responsibility in any party, organization or other body; this is done in order to avoid having the police draw connections between the leftist "abertzale" [nationalists] and the ETA.

The report goes on to say that this connection with political groups is important to ETA, because "it constitutes an important ideological input on all levels and a notable means of developing ETA support."

The magazine says, "These ETA information units are made up of three or four persons between 19 and 23 years old, in some cases older, of both sexes. Usually they are young people who are politically restless within the separatist left, and working on the information units makes them more useful; in many cases they become ETA leaders or are the ones who took the initiative in winning people over."

The information unit meets regularly, especially on weekends. In these meetings they discuss plans for the immediate and long range future. These projects can be individual or group activities. Each unit has a place where it keeps its records safe and available for review at any time.

Continuing with the POLICIA ESPANOLA report, these units seek especially names and personal information (color of hair, weight, photograph) as well as place of work, profession, route to work and type of transportation used, schedule, places frequented and identity of friends.

The report cited presents a sample of the work of these information units. It begins with the name of the person studied, his address and telephone and

place of residence also, stating in addition: "He has an 850 auto, yellow, license BI-115977. This subject is on close terms with the Police, along with all his crowd. He is unemployed and can be seen quite early on Iturribide or Siete Calles. He spends a great deal of time at the Los Claveles bar, which is across from the Maria Munoz police station. The enclosed photo shows his appearance. His car is usually parked near his house at night."

The POLICIA ESPANOL article states that the information units try especially to gather information on the television and radio media, the directors of prisons, Guardia Civil units, national police, police stations, troop movements, industries undergoing conflict, money shipments, explosives factories, quarries and gunmakers, among others.

11,989

CSO: 3/10

SANCHEZ-GIJON ON MILITARY REFORM

Madrid ABC in Spanish 18 Oct 79 p 3

[Article by Antonio Sanchez-Gijon: "Incomplete Fulfillment of Military Reform"]

[Text] The bill presenting "a comprehensive law setting the foundation for the national defense and military organization" has had a short time, if we consider its importance, for circulating among the high offices of the government, and this period has amounted practically to the summer. The bill has many merits, the chief one being the fact that it attempts to coordinate and harmonize the many rules from whatever source which have made up what is now being called military reform. Also it is an ambitious bill, since it tries to unify military organization with overall defense organization. The haste with which the bill is being presented before Parliament for debate prevents us from surveying the good points of the bill and suggests looking to its defects, because the former are already in place and the latter perhaps can be changed. Also, this criticism is founded on the impetus given to military reform by dozens of articles.

Our criticisms can be summarized in three statements: 1) The heads of the Armed Forces can be called or can have access to political responsibility which normally would seem to be the province of the government and the political order; 2) The bill omits to consider the actual manner in which conflicts occur nowadays and how security is threatened; 3) In general the section on military organization is weak.

In its preliminary section, Article 4, 2 states: "Military policy, an essential component of defense policy, evaluates the internal and external situation in view of the needs of national defense and the capabilities of the nation." The phrase "military policy evaluates" is vague, since policy is the result of an evaluation, and the evaluator is exercising political power. So who is it who evaluates? According to Article 8, 2, the National Defense Board (NDB) is the evaluator, since one of its functions is "to formulate and propose to the government a military policy and the principles for using nonmilitary capabilities in overall national defense," 8, 2, b). It will be assumed that in order to formulate and propose its military policy,

the NDB must have made a previous evaluation of the internal and external situation. This evaluation cannot help but lead to an essentially political judgment. Therefore it is very important to know who sits on the NDB, whose role it is to formulate political judgments destined to be part of the proposed military policy. According to Article 8, 1, the NDB is made up of "the head of the government, the vice presidents, if there are any, the defense minister, the head of the joint chiefs of staff and the heads of the chiefs of staff of the army, the navy and the air force." That is, according to the present rules there are four political members, the president, two vice presidents (one surely being a member of the military) and a minister, and four members of the military. In such situations the military could be the majority, and although any military policy formulated by the NDB has to be approved by the government, clearly its proposals would have decisive weight, obviously a political weight.

In addition, we must ask if the Board is able to formulate policy. By consensus: By vote? Consensus unites, but brings the risk of inaction. Voting is decisive and brings about action, but runs the risk of making the military members prevail politically or making the military and political groups oppose each other.

The position of the military element within the NDB is unclear. On one hand, we have seen that it can prevail numerically on the Board. Also, the same military posts which provide members to the NDB with full rights also provide another influence on the same Board: Article 10, 3 sets forth who belongs to the Joint Chiefs of Staff (JCS), and Article 10, 4 gives the JCS the role of "providing technical assistance in the development of military policy by the NDB." In other words, these high military officials are at the same time part of the NDB and also the NDB's advisors.

In various places one detects insufficient understanding of the true nature of the threats to nations in this era. One of these points relates to the NDB. Article 8, 2 names as functions of the Board: c) "To assist the head of the government in directing defense policy in wartime as well as in peace," d) "To assist the head of the government in the general conduct of warfare." This article would be perfect for situations like the first and second world wars. Today's conflicts, on the other hand, present no calling cards or declarations. Nowadays it is hardly possible to tell the difference between times of peace and times of war, and defense is no longer a matter of concluding one war so much as resolving a variety of conflicts and results of conflicts in terms of which it is possible to analyze the old equation between war and politics. So defense is a constant operation, not set apart, conducted through political bargaining and warnings about the use of force, warnings which themselves are political acts. Therefore it is not clear why the heads of the chiefs of staff of the three services should be on the defense board, since their main function is essentially professional. The Board should include only the head of the JCS, who thereby would have authority (authority, not command, which he does not have) over the other members of the Joint Chiefs of Staff, an authority now seen only in the most ancient form. This would raise his importance in the political order over the armed forces and at the same time would limit the strictly professional role of the services under the command of their chiefs of staff.

A bill like this one which sets forth the basis for military organization, that is, the structure, function and role of the three services, must build on a realistic understanding of the forms of conflict which these services may confront. Thanks to technological development, any of the three services can apply force vertically and horizontally. The navy can defend land and the air force can protect the navy from thousands of kilometers away. In the same fashion, the army protects the logistical support of the navy and air force, can patrol the coast and move great distances by air. Today's military operations are generally unified in the tactical realm and unified and/or combined in the strategical realm. However, the bill's Article 26 makes the army "principally responsible for defending the national territory," the navy "the chief means of reaching the maritime goals of the nation," and the air force "the chief means of defending the nation from the air and exercising control over the nation's air space for the benefit of national sovereignty." To say these things lacks meaning, because it is all assumed anyway. What is missing is an affirmation of the principle of unified operations of the services, including conception, planning and use of the various forces. Worse, the particular way in which the responsibilities are laid out seems to limit the use of the services to Spanish territory, Spanish air space and "the maritime goals of the nation" (which ones: construction of ships, fishing, trade, ZEE [expansion unknown] etc.), without considering the possibility of using them outside Spain, for example on enemy territory or in the context of an alliance.

Other remarks of a different type can be made: in Article 16 it is stated that "a conversion plan will be developed for industries vital to national defense so they may meet the defense goals." The corporation-oriented tone of this article could be lessened with a simultaneous declaration of the principle of state subsidiarity in relation also to defense industries, as is customary in most Western nations.

Article 29 announces the establishment of "regions or zones." It is not clear why some areas are regions and others are zones.

Also, why shouldn't the bill include an article stating more or less: "The King confers military positions; the government's role is to make nominations, which can be made only when there is a vacancy, and there will be no new posts created without budgetary provision for them." Such a provision would simply reaffirm the powers the government now has regarding nominations, and would expressly prohibit the glut of high posts created recently. Or another: "The government shall set by law the retirement age for the various members of the armed forces, in keeping with the organizational needs of the three services and the need of the state for military preparedness." This would allow for a solution to the difficult and evident problem of rejuvenating the military on the basis of a law of a particularly high order.

The meaning of these criticisms must be read in terms of the importance of the law being developed. It is a law which fulfills the program of institutional reform which has earned more praise than criticism because it rationalizes

the task of modernizing the military, and this writer does not slight this praise. It is clearly a bill which can be improved and which must be improved in order to consolidate and complete the immense work accomplished thus far.

11,989

CSO: 3110

BRIEFS

INCREASE IN CONSUMER PRICES--The consumer price index went up between 1 and 1.5 percent during September, according to estimates by the National Statistics Institute (NSI) made available to YA. Final figures will be released tomorrow by the NSI director after the final reports have been incorporated and necessary corrections made. Institute sources indicated that the trend for September confirms the tendency toward stabilization of food prices along with still uncontrolled inflationary tendencies in other sectors. Including the September estimates, it is believed that the cumulative rate of inflation in the first three quarters of the year will be about 12 percent. The Ministry for Economic Affairs believes that the inflation rate for 1979 will not exceed 16 percent. [Text] [Madrid YA in Spanish 21 Oct 79 p 3] 11989

CONTINUED INCREASE IN FOREIGN RESERVES--Spanish foreign reserves increased again during the past month of September, totaling \$3.161 million, according to official data released by the Bank of Spain. This includes an increase for the month of \$251.7 million; the increase for September 1978 was \$283.8 million. The increase in Spanish reserves for the first 9 months of the present year has been \$3.1456 million, according to the same report released officially by the Spanish central bank. [Text] [Madrid EL PAIS in Spanish 20 Oct 79 p 41] 11989

NATIONAL COUNCIL ELECTIONS FAVOR MODERATES

Results Detailed

Zurich NEUE ZUERCHER ZEITUNG in German 24 Oct 79 p 1

[Article: "Radical Democrats Win Four, Socialists Lose Four Seats"]

[Text] Although 22 seats changed parties in the National Council elections last weekend (as compared to 12 in 1975) one cannot speak of a landslide such as in 1975. In that election, the Social Democrats gained no less than 9 seats. This upsurge has now come to an abrupt end: instead of the gains they expected to register the Socialist Party lost 4 seats. The big winners of the 1979 National Council elections are the Radical Democrats, who gained 4 seats for a total of 51, which equals that of Socialists. Of the two other parties making up the Swiss government, the Swiss People's Party won 2 seats (now 23) but the Christian Democratic Party lost 2 seats. In the National Council, the Christian Democrats still retain 44 seats, but they may have to relinquish their position as the strongest single group in the Joint Federal Assembly to the Radical Democrats, if the four runoff elections for the Council of Cantons do not alter the present party makeup.

Distribution of National Council
Seats in 1979 and 1975

	1979	1975
Radical Democratic Party	51	47
Christian Democratic People's Party	44	46
Socialist Party	51	55
Swiss People's Party	23	21
Independent Party	8	11
Liberal Democratic Party	8	6
Labor Party	3	4
Protestant People's Party	3	3
Swiss Progressive Organization	3	1
Republican Party	1	4
National Action	2	2
Others	3	0
	<u>200</u>	<u>200</u>

The Liberal Democrats also contributed to the gains of the moderates in the National Council by raising their total of seats from 6 to 8. They have thus pulled even with the Independent Party, which lost 3 seats. Other losers were the Republicans (minus 3) who lost their "chairman"; the National Action, on the other hand, managed to hold on to its 2 deputies. The Protestant People's Party retained its 3 seats. On the far left, the Labor Party lost one seat and now has 3; the Swiss Progressive Organization, on the other hand, will have two deputies in the National Council for the first time.

FDP, SVP, LPS Successful

Zurich NEUE ZUERCHER ZEITUNG in German 24 Oct 79 p 35

[Article by Bue]

[Text] The results of the elections to the National Council in the populous cantons of Zurich, Bern and Vaud, which were not made public until after noon Monday, confirmed the trend recognizable throughout the night: the moderate parties have, generally speaking, emerged victorious from this year's elections. Among the winners are, above all, the Radical Democrats with a gain of 4 seats; the Swiss People's Party, which now has 23 deputies, a gain of 2, and the Liberal Democrats, based in western Switzerland, who gained 2 seats for a new total of 8. The three parties together thus have 8 seats more in the lower house than they did during the last session of the legislature. Though they gained a seat in the canton of Zurich, the main losers are the Social Democrats who will be sending 51 deputies to the new parliament as compared to 55 in 1975. The loss of ground by the Social Democrats, who seemed to have reached the limit of their capabilities in 1975, is tempered somewhat by the fact that the Swiss Progressive Organization will be sending two deputies (from Basel and Zurich) to Bern for the first time. The Communists will thus have 6 (previously 5) deputies in the National Council, if the one Ticino Socialist and the 3 (previously 4) Vaud Labor Party deputies are included in the total. Potentially, their ranks will be augmented by the separatist Crevoisier, who appears to have held on to his South Jura seat at the expense of the Bern Socialists. So, the question is just how the Socialist Party will react to the gains registered by the far left.

Other losers were the Independent Party and the Republicans. The Independents lost 3 seats. In future, they will have only 8 and will not be represented at all in the Council of the States. Since attaining an all-time high in 1967, the party which is drawing its financial support from Migros has been declining steadily; in the space of 12 years it has lost half the seats it held. Schwarzenbach's Republicans suffered a loss of 2, retaining only the Geneva/Vigilants/ deputy. The National Action, on the other hand, managed to hold on to its two remaining seats in Bern and Zurich.

The Christian Democratic People's Party, which prefers to call itself "non-socialist" rather than moderate, was not quite able to hold its own, losing one seat each in Zurich, Bern, Vaud and Valais while gaining one each in Aargau and the Jura. Thus far it is unclear which parliamentary group the second Jura deputy, the independent Christian Socialist Gabriel Roy will join. During the election campaign, the Christian Democrats had nothing to do with him. More than likely, the Christian Democrats were able to hand on to most of their strongholds because of the traditional Catholic vote and not because of the "dynamic center" and the "neither-nor" policy which was adopted by the party leadership during the campaign but never really caught on. Helped along by the vagaries of electoral arithmetic, the Republicans won a seat in the Aargau which would appear to be backed up by a right-of-center vote. The Protestant People's Party, by the way, the counterpart of the Christian Democrats managed to retain its 3 seats and its share of the vote by a comfortable margin.

What is the political significance of this election result? Broadly speaking, it confirms the image of remarkable political stability. Parliamentary gains and losses conform to traditional patterns. The fact that voter participation declined once more, i.e. that less than 50 percent of the eligible voters went to the polls for the first time since 1914 is deplorable. Judging by research studies and personal conversations, these abstentions seem to be mainly attributable to a relative contentedness with the political situation--a state of affairs one would hardly wish to alter, given the disparate make-up of the "stay-at-home" crowd. The fact is that when "burning" issues or fundamental problems had to be decided far more than 50 percent of the eligible voters went to the polls (74 percent plus for the Schwarzenbach referendum in 1970 and just under 58 percent for the women's suffrage referendum in 1971).

As opposed to the 1975 election when the Socialists won 9 seats in the National Council, this year's result clearly states: The Socialist advance has been halted. Except in Zurich where there were more "strays" from the Independent Party to be picked up than anywhere else the Socialists didn't win a single seat. In most of the cantons the Socialists actually seem to have lost votes. The demonstrable Socialist losses in the National Council should reduce their parliamentary position to the dimensions of the late 60's.

As opposed to the result of the cantonal elections last spring and with the exception of the Zurich returns, the collision course the party adopted country-wide did not find the voters' approval. Indeed, the voters evidently did not accept the candidates as the "saviors in the crisis" which the party strategists made them and their policies out to be. Quite the contrary: It was the resistance of the moderates and the liberals in particular against the challenge of the left which was rewarded at the polls. The voters subscribed to the clear and unequivocal position taken against the

further spread of government intervention, against further bureaucratization, against curtailment of self-responsibility and individual freedom and against the trend toward collectivization of the economy and of society. In short, the voters came out in favor of the clear advocacy of liberal principles both as concerns the state and social life. In making these principles the basic theme of their election campaign, the Radical Democrats adopted the motto "More freedom, less government" and thus set the tone for political discussions. The motto did not, as the opponents claimed, call for a retroactive "dismantling of the welfare state" but set forth the principles to be used as guidelines for the solution of political problems. This liberal campaign promise of a government based on moderation and freedom will have to be fulfilled when the time comes to chart the course of events in the new parliament or in discussions aimed at working out new legislation.

Among the parties which make up the federal government, the moderate-liberal forces will have the Swiss People's Party as a partner for the next 4 years, a party which gained in strength in this election. Speculations which still appeared in the Socialist press last week and which were raised during the campaign about the fourth government party's position being in danger have been all but swept aside by the outcome of the election. And, the renewed heavy losses of the Independent Party make any ideas about a red-orange-black coalition appear even more farfetched than in 1975.

It will be easier to get an idea of the new parliament's composition by political personalities when all the names of the deputies, particularly from the large cantons, are known. But it is already clear that women will be playing a more prominent role than heretofore. Three women deputies in the Council of Cantons (as compared to one) and 20 women in the National Council are proof of a marked advance by women into Swiss politics, a field in which they have fully participated for only 8 years. Their representation quota no longer compares unfavorably with that of a number of foreign legislative bodies.

In sum, the outcome of this election would seem to indicate that the chances for moderate-liberal policies being followed for the next few years are good. Those who have been elected are now called upon to make good use of available opportunities and to fulfill the voters' mandate.

9478

CSO: 3103

'HURRIYET' INTERVIEWS PRIME MINISTER DEMIREL

NC231308 Istanbul HURRIYET in Turkish 21 Nov 79 p 1, 6 NC

[Interview granted by Prime Minister Demirel to Cuneyt Arcayurek--date not given]

[Text] Question: Will you obtain a vote of confidence?

Answer: I have no cause for anxiety.

Question: What about after the vote of confidence is secured?

Answer: We shall speedily try to resolve the issues we have included in our program. Bloodshed is continuing. It is impossible to stop it in one day, but we will cope with it. No one can argue that we will fail to do so. Whatever needs to be done will be done. Everyone must help us. There is no room for arguments over this. Political views no longer apply in this case.

Question: When you say "everyone" do you mean the political parties?

Answer: Yes, that is what I mean. Government officials and the press must help. Anyone dodging his responsibilities will be forced to carry them out.

Question: What makes you talk like this?

Answer: This state of affairs cannot be allowed to continue indefinitely. We cannot allow anarchy to go on like this. It is inevitable that we will save our fellow countrymen from these crimes. The state must uncover both the criminals and those behind them. This is what is expected of the state.

Question: Has the state managed to discover who has been committing these crimes?

Answer: It is a disgrace if it has not. It is an even greater disgrace if it has discovered them but has failed to deal with them. We are now

trying to gather together all of the information possessed by the state. We will compare our information with that of the state.

Question: What do you mean when you say "our information"?

Answer: These are the pieces of information we gathered when we were in the opposition. During the whole of last week I conferred with all the state officials responsible for maintaining law and order. The government will fulfill all the obligations embodied in its program. We will enact anti-anarchy laws before we tackle the budget.

Question: Will these laws be supported in the Parliament?

Answer: I have obtained pledges of support. I hope that all the parties in the Parliament, including the Republican People's Party, will support the enactment of these laws. The administration and the police force must play their part wholeheartedly in the campaign against anarchy, subversive activities, terror and separatism. The intelligence organization will do the same. We will unleash a ruthless campaign against anarchy.

Question: You alleged in the past that during the former government's term in office martial law was not fully implemented. You said that the duties of the martial law authorities were restricted. What do you intend to do in this respect? What will your attitude toward martial law be now?

Answer: Efforts were made to water down the martial law by way of coordination and other means. In some places those charged with enforcing the law were so soft that it was practically impossible for them to perform their duties properly. In other cases, they were prevented from doing so. In the beginning, martial law was hanging in the air, not knowing what to do. The martial law officials and the administration, the police and the intelligence organization failed to work together closely.

Question: Are you suggesting stricter action by the martial law authorities?

Answer: They must complement one another and work hard to put out the fire. There are several undetected crimes. We will go after them. We will put a definite end to arms smuggling.

Question: Do you know who is smuggling arms into Turkey?

Answer: The state knows many things. It has to. For obvious reasons, I cannot disclose what the state knows. It is high time we stopped talking and started doing something about it. No one will dare show the slightest indifference toward those who are committing crimes against the peace, life and property of the nation. We urge the state to act firmly and show its strength, and we call on the nation to back the state. This is what should be done. This is the only way we can achieve positive results.

Question: We keep talking about weapons in Turkey. Are you contemplating collecting all the weapons?

Answer: We cannot definitely say "let those who have weapons in their possession keep them," but whatever needs to be done to fight anarchy will be done. We do not recognize such ridiculous situations as "liberated areas." We shall deal with such situations as early as possible. We cannot have such stupid arguments as "this city has been liberated" or "entrance to that part of the city is prohibited." All this will have to be eliminated.

Question: It sounds as if you have determined the strategy to be used against anarchy. Will you act according to a short or long term program?

Answer: We will launch a war against anarchy. This is the main reason for our being brought to power. The nation has come to the conclusion that no serious campaign has been carried out against anarchy. We have argued that anarchy has enjoyed political protection. Then we were challenged to tackle it ourselves, and that is what we are doing now.

Question: Are you planning to start your campaign in smaller places and then move on to the big cities?

Answer: No, we will fight anarchy throughout our fatherland. There is no room for brigandage or plundering in our country. We will destroy the root of all organized terror.

Question: Will governors and security directors be changed?

Answer: I have just cited our goal. We will use whatever means necessary and we will choose whoever is fit to work toward the achievement of this goal. No one can stand in our way. The state cannot support those who are unprepared to fulfill their duties.

Question: Will you extend martial law to other areas also?

Answer: Martial law expires on 26 December. I do not know how events will shape up until then. We may have to either extend it or limit it.

Question: What about factions in the national intelligence organization and the police force?

Answer: It will be our duty to see that these organizations work in harmony. There is a duty to be done and it will be done. The state spends billions of liras and it expects service in return. It is our duty to secure this service, for we are accountable to the nation.

Question: Some people describe the government program as "an election government." What do you say to that?

Answer: The program reflects the needs of Turkey. I believe that it has been a long time since issues have been dealt with so clearly. Such matters as anarchy, terrorism, inflation, unemployment and shortages have become national issues. There is no room any more for political dilly-dallying. It has become crystal clear that our first and foremost duty is to rid our country of all this. The methods to be used cannot be subjected to any argument.

Question: Can there be differences of opinion on the question of ending inflation?

Answer: No, not in any way. Inflation cannot be subjected to individual interpretation. Budget deficits and increased rates of emission lead to inflation. It is the aim of our government to fight both of these monsters--anarchy and inflation.

Question: Will you be able to stop inflation?

Answer: What Turkey can do is more important than what I can do. Turkey must bring inflation under control. No matter what government comes to power, it will be faced with the same task. The former government has failed to grasp this fact. We are going to tackle inflation with this extremely important realization.

Question: I have just remembered that you were saying you are going to enact emergency laws. There is a provision in the Constitution for the enactment of economic laws in cases of emergency. But there are no such provisions in the Constitution as far as enacting emergency laws concerning political situations. How do you propose to handle this?

Answer: There will be new powers between martial law and civil administration. The civil administration will be able to use some of the powers of martial law.

Question: What will the economic aspect of such an emergency situation be?

Answer: There will not be any substantial change.

Question: What about a price control mechanism?

Answer: Price control may become necessary. However, we cannot resolve our economic problems through police action. Such action may be necessary but it will not bring a radical remedy to the problems. The whole matter is a question of supply and demand. There must be adequate production, and an atmosphere of free competition must be created.

Question: Are there price rises in the package? You have said that economic measures will be taken as of next week. Aren't these measures in the form of a package? For example, in an effort to limit the volume of money, might there be increases in some prices? Is this probable?

Answer: This is not the issue at the moment. Next week, I shall naturally be able to say what we intend to do about economic issues.

Question: The price of petroleum is increasing, isn't it?

Answer: It is catastrophic. First of all, we need \$250 million every month to pay for oil.

Question: Is it easy to find \$350 million every month:

Answer: We had to. As things stand, we now have to pay a bill for \$190 million.

Question: Is our fuel stock position good at least? Can the present shortage turn into a crisis?

Answer: The fuel stock is very limited. There was practically none when we took over. But I hope to overcome this too within a reasonable period of time.

Question: But former Prime Minister Ecevit says he has left a considerable amount of foreign exchange. That is what his inventory says.

Answer: The picture he has drawn does not tally with reality. The difficulties our fellow countrymen encounter every day belie Ecevit's statements. The reply Ecevit deserves is: "If the prospects were fine, why were you unable to exploit them yourself?" The present situation is worse than it was when Ecevit took over in 1977.

Question: Do you at least think you are going to resolve the electricity problem?

Answer: There will be no more electricity cuts at night. Shortening the duration of cuts during the day will be the next step. Naturally the third step will be to eliminate electricity cuts completely. The generation capacity of our power system has not been improved at all in the past 22 months. The Ayvacik power station will soon be commissioned. The water in the Hirfanli and Sariyer dams has been completely used up. We cannot wait for these dams to collect water. There is need for coal so that the stations operating on coal may operate at full capacity. The Ambarli and Mersin power installations need crude oil. Even if all this is provided, there will still be only relative relief.

Question: Is the bulb problem really that serious?

Answer: A total of 30 million bulbs and 8 million florescent lamps are manufactured in Turkey annually. We need 8 cents worth of raw material for the round bulbs and 20 cents worth of raw material for the florescent lamps. This means \$4.5 million worth of raw materials have to be imported. This is what the factories are waiting for.

Question: Will we have enough coffee from now on?

Answer: We do not plan to import coffee at the moment. There are more pressing matters.

Question: What about cooking oil?

Answer: There will be abundant cooking oil. All restrictive measures will soon be lifted. I mean the distribution mechanism and so forth. There will be no more shortage of cooking oil as of next week. However, packing is a problem. A 20-kilo tin costs 175 Turkish liras: That is 8 liras per kilo.

Question: What about the question of credits?

Answer: We have worked out the amount of foreign exchange that will enter and leave the central bank during the next 3 to 6 months.

Question: Is the petroleum expenditure included in those accounts?

Answer: Yes, everything is included. We will just make it in the first 3 months provided no other problems arise. The central bank will certainly function properly. It is the heart of our economic life.

Question: What about the IMF? You stated earlier that if these agreements contained clauses detrimental to our interests, we will not accept them.

Answer: We have not yet had a request from IMF for a meeting and we are examining these agreements. If they contain anything contrary to our interests, we will not recognize them.

Question: You have stated that you are going to implement the tax-free income plan. But it is argued that this will cause a loss of nearly 100 billion liras in the budget. Isn't this a big loss?

Answer: It is bound to cost something. But we cannot impose this heavy tax burden on those who cannot afford it. This is not compatible with taxation justice. We are going to relieve minimum wage earners of this burden and collect it from those whose income is high. Those who cannot afford to pay will definitely be immune from doing so. Those who can afford, will pay according to their income.

Question: Do you think such draft laws proposed by a minority government can be enacted through outside support?

Answer: We will present the problems of Turkey to the Parliament and try to justify them. We will defend these laws before public opinion. If we submit something to both houses that they cannot reject, I do not think they will create obstacles. As a matter of fact, we have many problems that cannot be rejected.

BRIEFS

CAGLAYANGIL SEEKS MEDICAL TREATMENT--Ankara (HURRIYET)--Ihsan Sabri Caglayangil, president of the Republican Senate, is leaving for London today for a definite diagnosis and treatment of suspected "pulmonary cancer." Caglayangil, who has recently been in poor health, had been found suffering from partial collapse of the lung, termed atelectasis. The physicians say Caglayangil's lung has partially collapsed and ceased to function. Dr Munif Islamoqlu, minister of health and social welfare who is a specialist in chest diseases upon examining the X-ray films and the first clinical tests, has advised Caglayangil to go to a British hospital which specializes in chest diseases for a definite diagnosis and treatment. [Text] [NC191147 Istanbul HURRIYET in Turkish 18 Nov 79 pp 1, 11 NC]

MEAT, FISH ASSOCIATION EXPORTS--The Meat and Fish Association has secured a revenue of some \$26 million from its exports since last July. The association director general said that some 200,000 sheep and 2 million kilos of mutton have been exported to various Middle East countries. Some 3,000 cattle have been exported to the Soviet Union. Some 600,000 sheep will be exported to Middle East countries and Libya and 10,000 tons of mutton to Iran by the end of this year. [TA161927 Ankara Domestic Service in Turkish 1600 GMT Nov 79 TA]

AGREEMENT WITH SOVIET UNION--An agreement regarding the purchase of 200 graders to be used in road construction has been signed between Turkey and the Soviet Union in Ankara. The agreement was signed by the Turkish highways director general, Nuri Ustun, and the director of Traktoroeksport, (Taikanov) [from the Soviet Ministry of Foreign Trade]. In a statement at the signing ceremony, Ustun said that some \$8 million will be paid for the 200 graders. According to information given by Ustun, \$800,000 will be paid in advance and the remaining amount will be paid within 5 years in the form of goods. Of the 200 graders, 80 will arrive in Turkey in 3 months and the rest will come in various batches depending upon the production of the factory. Ustun concluded by saying that with the graders to be secured from the Soviet Union road construction will continue in a more efficient manner. [Text] [TA161927 Ankara Domestic Service in Turkish 1600 GMT 14 Nov 79 TA]

END OF

FICHE

DATE FILMED

Dec 14, 1979

RAB